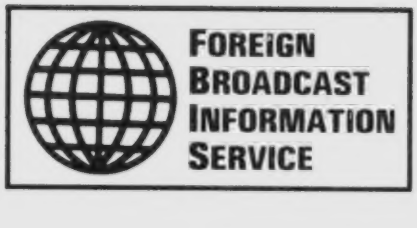

Daily Report

Latin America

FBIS-LAT-87-248
Monday
28 December 1987

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FBIS-LAT-87-248 *28 December 1987*

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Cuba

MINREX Protests 'Barbarous' Zionist Acts

FL251327 Havana Tele-Rebelde Network in Spanish 1200 GMT 25 Dec 87

[Text] The Cuban Foreign Ministry [MINREX] has issued a declaration on the Palestinian situation which says the following:

International public opinion has followed with great concern since the early days of December the events that have developed in occupied Arab territories caused by the violent confrontations between the repressive Israeli forces and the civilian Palestinian population. The current toll from the indiscriminate attacks includes dozens of deaths among the Palestinians and hundreds of injured and detained.

In the name of the Cuban Government, the MINREX most strongly protests these continued acts of genocide committed by the occupying Zionist troops against those participating in massive actions to vindicate their legitimate rights.

Once again, the Israeli Government, with absolute disregard for the most elemental norms for international coexistence and in frank and open defiance of world public opinion, perpetrates a new criminal act against the valiant Palestinian people. The crimes against humanity committed by the Zionist occupying forces incites all peace-loving people to condemn these actions and to demand that the fierce repression against the suffering Palestinian people be brought to a halt.

The government and people of Cuba once again express their unrestricted solidarity with the just cause of the Palestinian people and call on the international community to mobilize in order to force an end to these barbarous acts committed by the Zionist soldiers.

Castro Speaks at El Gato Aqueduct Dedication

FL261714 Havana Tele-Rebelde Network in Spanish 1238 GMT 25 Dec 87

[Speech by President Fidel Castro at the dedication of the El Gato Aqueduct on 24 December—recorded]

[Text] [Applause] Workers who have participated in the construction of this project, Comrades, Everyone:

This project we are dedicating today cannot be seen because it is almost entirely underground. We can see no more than the equipment on site, the administration center, these tanks, and a few other things that must be buried, or whatever it is you call it. They must be covered with dirt. Everything needs to be covered with dirt, right? Everything. Some are like viaducts, like the section located just before the central road to the highway. I can see some parts of it there. They're splendid, aren't they? They're not covered but they can be maintained well without any problem. That area is very flat and nothing could be buried; they had to make a mountain out of it, a little hill so they could be buried. A few small parts of these can be seen. That is why we are meeting here where the tanks are located. They are a kind of symbol because the water is now being distributed or water continues to flow, as was explained to me.

If this project had been built using the old methods, we would only be one-fifth done. I estimate the project would have taken not less than 10 or 12 years, or perhaps 15 or 16, if we had done it with the spirit prevailing in the years between 1976 and 1986. That is, the spirit prevailing prior to the rectification process. We could say that this project was a prelude to that process; it was one of the first steps taken to solve some problems.

The comrade was recalling my statement of 1985 in connection with this project. We said it had to be finished by mid-1988. That was already an enormous challenge because we planned to finish the project in almost 2 and 1/2 years. I said, this project cannot take 10 or 12 years. The needs are too great. The drought is too severe. When we said that in 1985, no one could guess that 1986 would be tremendously dry and that 1987 would also be tremendously dry. It was the 1986 drought and the diminishing water resources for the capital that determined a special construction effort between the end of 1986 and the end of 1987. That was the great achievement of our party in the capital, of the people's government, and of the party in Havana Province. They were bent on responding to the situation. They decided to make an even bigger effort than the one demanded. They decided to speed up the construction of this project so that it could be completed ahead of time. It was a minimal schedule, a brief time for a project of this kind. They decided to finish it 6 months ahead of schedule.

This is not a simple project. You don't just lay a tube down from one location to another. It is not just a pipe, a canal. This is a very complex project. As Comrade Alvarez [not further identified] said, this is the most complex project undertaken, as well as the largest.

I don't mean that our predecessors did not build anything of merit because they did build the (Alviar) aqueduct and other solutions were implemented at other times. These were good, engineering solutions. Water was closer then. Now one has to go further, a greater distance to find water. We had to use the reserves that are practically at the Matanzas limits to create or exploit a new source of water. We had to construct dozens of kilometers of pipeline with wide diameters. The problem of constructing those tubes had to be resolved. Their diameter is very large and they had to be constructed with the appropriate quality. Some of them are made out of 14 mm steel; others are made of steel and wrapped in

concrete. Factory production had to be organized. The transportation of all these pipes had to be planned as well as the corresponding excavations. They had to be soldered one by one. That is why we spoke here of 100 km of soldering. Each one had to be installed. All the necessary factory projects had to be completed.

Very sophisticated engineering procedures are needed to make the water flow through corresponding levels; to establish and create the equipment on site; do the drilling, build the installations, make all the necessary calculations to ensure that the the wells are being made where there are sufficient amounts of water; construct the structures for the wells; install the most modern pumps used in this type of activity. The country imports these pumps. In addition, all these tanks had to be constructed, as well as all the other installations. As was mentioned here, this required a great effort. It required the movement of 1,701,000—approximately 1,701,000—cubic meters of earth. More than 60,000 cubic meters of concrete were needed.

The work on this project has been done well. We can say the workers have done an excellent job. The ECOI [Industrial Projects Construction Enterprise] workers from ECOI 22, as well as the construction workers from all the MICON's [Ministry of Construction] enterprises that participated in this project made a great effort.

Special mention should be made of the youth contingent that was created by the party at the end of 1986. As Comrade (Mario Arcina) explained at the PCC provincial assembly meeting and as other comrades have said, this contingent became a vanguard unit, an example that extended to other construction workers. They influenced even the older construction workers who were dragging along certain habits, certain negative tendencies. They influenced their comrades. There is no doubt they are vanguards and they became the standard bearers of the new spirit of labor, the standard bearers of the rectification process. All other ECOI construction workers embraced this.

This is how this project has unfolded in less than 2 and 1/2 years. This explains why a true construction record was set. It explains why these comrades from the construction sector and all others who participated on this project deserve the gratitude and recognition of the 2 million residents of Havana. [applause]

One thing, however, that our generation, the current generation, youth, has to understand is the need to conserve this fundamental resource. We will not be in need [of water]. If we conserve it, we will have more than enough. We will have a surplus. When we talk about conservation, we talk about everything. The reconstruction of the network, everything. It is the area where we have the most possibilities.

We will seek new sources for water, treat residual water to prevent losing them in the [words indistinct] in the south. We will dam new sources, each small stream and river, everything.

In addition to expressing the joy, happiness, and recognition of the work accomplished, I think we should take advantage of an event such as this, a meeting like this to develop an awareness of the topics we discussed today. We hope, however, the spirit that developed during the construction of this aqueduct system is maintained in 1988 and in the future, and this enterprise and these brigades will be collectives of workers in which the Construction Ministry and the capital can take pride.

I wish you a happy year's end and a new anniversary of the revolution, as well as happiness, satisfaction, pride, and the hope that arises from the legitimate and noble feeling of knowing how to fulfill an obligation. "Fatherland or death, we will win!" [applause]

Castro Interview

FL251642 Havana Television Service in Spanish 0100 GMT 25 Dec 87

[Text] [Announcer] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has presided over the inauguration of the "El Gato" aqueduct. Here is part of his speech at the inaugural ceremony:

[Begin recording] [Castro] If this project had been built using the old methods, we would only be one-fifth done. I estimate the project would have taken not less than 10 or 12 years, or perhaps 15 or 16, if we had done it with the spirit prevailing in the years between 1976 and 1986. That is, the spirit prevailing prior to the rectification process. We could say this project was a prelude to that process; it was one of the first steps taken to solve some problems.

The comrade was recalling my statement of 1985 in connection with this project. We said it had to be finished by mid-1988. That was already an enormous challenge. We said that [words indistinct] in 2 and 1/2 years. I said, this project cannot take 10 or 12 years. The needs are too great. The drought is too severe. When we said that in 1985, no one could guess that 1986 would be tremendously dry and 1987 would also be tremendously dry. It was the 1986 drought and the diminishing water resources for the capital that determined a special construction effort between the end of 1986 and the end of 1987. That was the great achievement of our party in the capital, of the people's government, and of the party in Havana Province. They were bent on responding to the situation. They decided to make an even bigger effort than the one demanded. They decided to speed up the construction of this project so it could be completed ahead of time. It was a minimal schedule, a brief time for a project of this kind. They decided to finish it (?6 months) ahead of schedule. [end recording]

[Announcer] Our commander in chief toured the new aqueduct in the afternoon. The visit began at the social-administrative building, where he was thoroughly briefed on this important water project. [After briefing, Castro is seen outside with young man standing next to him, microphone in hand]

[Begin recording] [Reporter] We know you have a long day today, but we would like you to briefly comment on this project and describe the workers' efforts.

[Castro] Well, I think the project is important. Everybody knows the importance of water supplies, especially in a period that has been so exceptionally dry. We will perhaps not supply all the water the public needs, but at least the minimum they require. That is important.

I hear they have worked well here. [Word indistinct] when this project was completed. At a normal pace, this might have taken 3 years. Thanks to the effort of (?these people), they have completed the project in a year. We have water now. There are things still to be done, but the water is already (?flowing). Generally speaking, I hear very good reports about the project. Everyone has reported favorably. My own impression is good, but I need to round out my information by talking to the technicians, the construction workers, and observing the whole project.

[Reporter] We noted that you were very concerned about the use of cement.

[Castro] Yes, that's very important. If you report that, you will be doing us a favor. I have the impression we are using more cement than we should, that we use more than we need. Since there are so many projects, we must make a special effort at managing the cement. We must be more aware about economizing on cement. That's why I was asking how many cubic meters of concrete, how many kilograms of cement are needed. What percentage of the total. It's easy to figure that out. If you take the weight as the measure, it's 2.4 tons. It has 500 kg of cement, a bit more than (?23 percent). Someone here said 26 percent. The cement is measured in kilograms per cubic meter of concrete. Gravel is measured by cubic meter and sand by cubic meter. I'm told it takes 900...[rephrases] 0.9 cubic meters of gravel, (?6) cubic meters of sand, and 500 kg of cement. The cement is measured in kilograms and the rest in cubic meters. In the total weight it comes out to 26 percent more or less.

I asked them those questions because I am worried about the way we consume cement. We have consumed 3.5 million tons this year. Next year it will be 3.8 tons. Then you hear reports about projects that are barely getting by with their cement supplies.

[Reporter] Havana has 1,500 projects for next year.

[Castro] That's right. You know what it means to have 1,500 different places consuming gravel, sand, and cement? We must make people aware we must economize on cement so we won't use more than necessary. There are some people who think that the more cement you pour in, the stronger the building. The technical plans exist, but I am sure in actual fact we are using more cement than we should. Cement consumption has been discussed at the projects and in TRABAJADORES. I believe cement can be saved in the projects.

[Reporter] For our part, we...

[Castro, interrupting] You could help. Do you work for the television newscast? You could help us in...

[Reporter, interrupting] We are working here...

[Castro continues]...this rectification process and, fundamentally, this development process.

[Reporter] But the year is ending well, Commander, isn't it?

[Castro] I believe so. What is your opinion, you who are everywhere? You surely visit more places than I do, talk with more people. What do you think?

[Reporter] This old year has been so good that...

[Castro, interrupting] Yes, I think so. Many of us have the same impression.

[Reporter] The new year will surely be better.

[Castro] It better be; otherwise, we'll be in really bad shape!

[Reporter] Thank you very much.

[Castro] Right! See you later. Thanks. [end recording]

[Announcer] Our commander in chief then toured one of the eight wells already in operation at the aqueduct. He was briefed there on the equipment. Fidel was particularly interested in the way the water program in the Havana Province area was coming along. He also made reference to the rest of the country.

[Begin recording] [Castro] We'll leave that.

[Speaker] The dike [words indistinct] the canal will be when [words indistinct] I feel it is better to use it all.

[Second speaker] You know it consists of a kilometer covered with [words indistinct].

[Speaker] Monthly, monthly.

[Second speaker] We'll have a very definite schedule.

2[Speaker] A strict one.

[Second speaker] That's right, so we can meet your deadline.

[Castro] You are giving me all these explanations. What you have to do is not take that out until we finish. When you do finish, you tell me where we go next. Each person does his own thing.

[Speaker] Oh, no, chief...

[Castro] And if you have trucks left over or anything else...[changes thought] I don't want to take something away from where it is needed. If you have trucks left over, you take a few more trucks, you find a crane...

[Speaker, interrupting] We really don't have any surplus. [passage indistinct] Artemisa needed two bulldozers and two trucks so they could have a volume...

[Castro, interrupting] We'll talk about that later. We'll do things little by little. [Words indistinct] water.

[Speaker] [Words indistinct] construction of each one of the country's brigades: dams and canals. That is, so that everybody knows where each brigade goes.

[Castro] What I want to do is establish the basic dam forces. We have already finished in Pinar del Rio. I imagine that it is working at twice the pace. We are making progress in Havana with the most important things. [Words indistinct] we have [words indistinct] over there in the east, the first one. Camaguey is...

[Speaker, interrupting] Complete.

[Castro] No, not complete.

[Speaker] Not complete, because there are still some things left.

[Castro] No, we have to give equipment to Camaguey. They rounded up some old equipment and started working on the San Pedro Dam.

[Speaker] Yes, with the repaired Hitachis, Commander.

[Castro] Repaired Hitachis, because there is a lot of equipment here that can be repaired.

[Speaker] It's been done all over the country.

[Castro] They are working with the old equipment everywhere and with a new will. [laughter] Old equipment and a new will, you hear?

[Speaker] And discipline. That's what is basic here. Discipline.

[Castro] You yourself said, if one day you need 5 more trucks, you know you can find 15 there. You step up the work. A bulldozer, a truck, you can't do it when everything is all mixed up, when you have the kind of tossed salad, the stew you cooked up with all the equipment and forces. Well, let's keep going. [end recording]

Castro Closes Water Conservation Meeting

FL261302 Havana Radio Progreso Network in Spanish 1113 GMT 26 Dec 87

[Text] Commander in Chief Fidel Castro said during his speech closing the national meeting on water conservation that this year has been an unusual, decisive year for water conservation and next year will be better. The meeting was held in Havana's Palace of Conventions.

The first secretary of the PCC said the meeting demonstrated that equipment and brigades are being recovered, a spirit which should be maintained. The important thing is to keep the brigades united with their respective equipment, as well as with their construction [word indistinct] so as to not lose time, he said.

Fidel also referred to assurances made not only for the water resources program but also for construction projects in general. As an example, he outlined the plans to begin the year 1990 with 4.6 million tons of cement. This figure could increase if three new cement factories become operational in the eastern region.

We are attending a meeting with men and women of honor, veterans of water resources work, Fidel said. We are confident we will work better because of our experiences, he added. The program of water resources development is ambitious and large, he said, and everyone wants to see the fruits of the finished project when we win the war on the drought.

He said the completion of the El Gato Aqueduct in just 2 and 1/2 years is an example of what we can do when one works with dedication.

The best habits were lost in the economic sphere, he added. The spirit for struggling languished.

In reference to the work of the minibrigades in Havana, Fidel said that despite what some skeptics may say, the 54th child care center will be inaugurated within the next few days. This will mark the overfulfillment of the goal established for this year.

In conclusion, Fidel said that all that is left now is for the provinces to adopt the measures necessary to continue conserving water. This will be assessed next year.

Haiti

Bishops Urge Dialogue, Question Elections

FL241938 Port-au-Prince Radio Metropole in French 1145 GMT 24 Dec 87

[Text] The Episcopal Conference of Haiti [CEH] has called for a dialogue to resolve the current crisis. In a statement issued yesterday, the Catholic Church calls for a frank dialogue among representatives of the diverse sectors of the population to find a solution to the crisis convulsing Haiti.

We reaffirm our support for the just demands of the Haitian people. That is the essence of the CEH statement made public yesterday. In it, the bishops come out in favor of real participation by the Haitian people in all major decisions affecting the nation. It is the people's right to plan their own lives. No one has a right to take the place of the Haitian people. They know what they want. Why is there this refusal to trust the people, the CEH wonders. It then explains, and I quote: The Haitian people have already given proof of maturity. This was on 29 March, during the referendum for the Constitution, and on 29 November, when, despite threats and killings, the Haitian people insisted on going to the polls to comply with their civic duty and choose their representatives freely. Unfortunately, the bishops emphasize, on 29 November, the will of these peaceable people was countered by antidemocratic and criminal forces; action must be taken with, not without, the people.

Further on, the CEH says the Haitian people are asking for only one thing: to be allowed to choose their leaders freely. They do not intend to have their leaders imposed on them, neither by the authorities nor by any other sector.

We stand by the Haitian people; we have confidence in them. Within the framework of our mission, we wish to faithfully accompany them in their determination to choose their representatives freely and responsibly.

Regarding elections, the CEH wonders anxiously if all the conditions necessary for free and honest elections in Haiti exist. The CEH says that in its message of 16 October 1987, it had strongly encouraged participation in elections. Since the situation is totally different now, can the CEH still be expected to repeat those same words of encouragement? Furthermore, the CEH wonders if the indispensable conditions for free balloting in the elections scheduled for next 17 January exist.

Still in connection with the current political crisis, the bishops call for consensus and they make suggestions. Since there can be no solution without consensus by the various sectors of the population to safeguard the Constitution, the bishops believe there must be a meeting of representatives designated by these various sectors, and these representatives must engage in a frank dialogue and make concerted proposals. These proposals must be arrived at, if necessary, at the price of great sacrifices in which personal interests and pride take a backseat to love of the Fatherland.

Second, the bishops suggest a stable and impartial institution be used to act as a mediator in solving the present crisis.

In conclusion, as regards respect for the church's freedom to carry out its pastoral mission, the CEH denounces the campaign to disparage the church. The church has suddenly become a scapegoat. There is an attempt to hold it responsible for all the misfortunes afflicting the population and for all of society's woes. Certain accusations are so far-out that they fool no one. Others are so contrary to the truth they provoke reprobation from the Haitian people and gain for this particular church the sympathy and the solidarity of the sister churches of the continent and of Europe. Does anyone think these accusations will discourage the church or prevent it from fulfilling its mission? That would be forgetting it is directed by the Holy Spirit, and that its founder has promised to be with it always even until the end of the world.

The statement is signed by Msgr Francois Gayot, bishop of Cap-Haitien and president of the CEH; Mgsr Francois Wolf Ligonde, archbishop of Port-au-Prince; Mgsr Leonard P. Laroche, bishop of Hinche and vice president of the CEH; Mgsr Emmanuel Constant, bishop of Gonaives; Mgsr Alix Verrier, assistant bishop of Les Cayes; Mgsr Willy Romelus, bishop of Jeremie; Mgsr Louis Kebreau, auxiliary bishop of Port-au-Prince; and Mgsr Joseph Lafontant, auxiliary bishop of Port-au-Prince and secretary general of the CEH.

The CEH also sent a message to the population—to the Haitian people and to all men of good will—on the occasion of Christmas.

CED Issues Stay-Home Directive

FL241905 Port-au-Prince Radio Metropole in French 1145 GMT 24 Dec 87

[Text] Twenty-four hours after its news conference at the Holiday Inn, the Committee for Democratic Understanding [CED] made up of four political party leaders—Marc L. Bazin of the Movement for the Implementation of Democracy in Haiti, Gerard Gourgue of the National Concerted Action Front, Louis Dejoie II of the National Agricultural and Industrial Party, and Sylvio C. Claude of the Haitian Christian Democratic Party—informs the Haitian people of immediate directives.

Today, 24 December, you are asked to go home at 1800, close your doors, and remain there until 0600 on 25 December. You should also engage in noisemaking at midnight for 15 minutes.

On 25 December, the CED asks the Haitian people to participate en masse in all religious services organized by all churches.

The CED also asks the people to remain mobilized while awaiting new directives from the CED. (?It does not, however) state explicitly the political reasons for this watchword, asking the population to stay home between 1800 today and 0600 tomorrow and to participate in religious ceremonies.

Dejoie on Call for Opposition Candidate

Wa280248 Paris AFP in English 0230 GMT 28 Dec 87

[Text] San Juan, Puerto Rico, Dec 27 (AFP)—A Haitian opposition leader Sunday criticized a U.S. call on the opposition to field a candidate in the upcoming presidential elections.

Louis Dejoie said: "There is no such candidate ... it's impossible."

Mr. Dejoie was one of four presidential candidates ranked as front-runners in the November 29 elections, which were cancelled three hours after they began when thugs went on a rampage, killing at least 34 voters and injuring 75. Observers said security forces either joined in the massacre or stood by.

Haiti's National Governing Council (CNG), led by Lieutenant General Henri Namphy, rescheduled the elections for January 17. But Mr. Dejoie and the other three leading opposition candidates have vowed to boycott the new elections.

U.S. Deputy Assistant Secretary of State for Caribbean Affairs Richard Holwill was quoted Saturday as saying U.S. and other foreign diplomats were trying to persuade the opposition to join the elections and field a single candidate.

"Mr. Holwill's inconsiderate, foolish and irresponsible statement at this time of complete turmoil in Haiti can only torpedo the valid patriotic actions taken by the majority of the Haitian people through its four most popular leaders—Louis Dejoie, Marc Bazin, Gerard Gourge and Sylvio Claude," Mr. Dejoie said.

Mr. Dejoie denied that foreign diplomats had asked Haiti's opposition to field a candidate and said he had heard of it in the news media Sunday.

He reiterated his calls for the CNG to step down and said the four candidates would not run in the elections. The four oppose a CNG-appointed body charged with overseeing the elections and a new set of electoral laws decreed after the November 29 fiasco.

Many U.S. congressmen have said they doubt the government would allow free elections.

Mr. Dejoie said he spoke to Mr. Bazin and that he "assured me that our position is still the same and we are ever united to continue the fight toward democracy and toward new elections under the Constitution of Haiti."

Mr. Dejoie said the United States was acting inconsistently by suggesting that the opposition join elections that could be rigged. Washington had been "triple-crossed by Namphy ... and will be tricked again," he added.

Nationwide Relay of Local News Proposed

FL242024 Port-au-Prince Radio Metropole in French 1145 GMT 24 Dec 87

[Text] In a letter to (Ady Jeangardy), deputy secretary general of the Association of Haitian Journalists [AJH], Mr (Jean-Robert Argan) calls attention to how the government media's henchmen systematically bludgeon the public with news. He also notes the inability of certain Port-au-Prince media to go out into remote areas to ensure that the news that is reported is accurate and objective.

Mr (Argan) adds that in view of the urgent need to keep the nation informed of what is really going on, and in view of the desire and the duty of all honest journalists to inform the greatest number of citizens possible—in view of this sacred right to information—it is necessary to propose the following, and we quote him:

The capital's major radio stations should get together during this entire crisis period and devote a full hour, determined in advance, to broadcasting local news. During this, all stations would relay the station assigned to present the hour-long local news program on any given day.

Each station participating in this hour of concerted action [heure d'entente] would be responsible for presenting this hour-long news program in turn. During its turn to present the news, each station would be relayed by all sister stations. The order of rotation of duty could be determined by a simple drawing. Provincial stations should, of course, participate. Thus we would have the guarantee of an hour of nationwide, true, honest, accurate news.

Mr (Argan) invites the deputy secretary general of the AJH to call on the directors of each of the stations concerned as soon as possible and to set up with them the relay system for this program. This joint action, this broadcasting in common, will enable people to avoid being raped intellectually by means of false propaganda.

Costa Rica

Arias Disagrees With Invitation to Castro

PA262019 Panama City ACAN in Spanish 1819 GMT 24 Dec 87

[Text] San Jose, 24 Dec (ACAN-EFE)—Costa Rican President Oscar Arias does not agree with the suggestion made by his Guatemalan counterpart, President Vinicio Cerezo, who proposed inviting Cuban President Fidel Castro to the upcoming Central American presidential summit in San Jose on 15 January.

The opinion Arias briefly expressed at the Presidency, without making any further comments, is that "neither Castro nor Reagan" have any role to play in the meeting, which is planned "exclusively" for the Central American presidents within the framework of "Esquipulas II."

Costa Rican Foreign Minister Rodrigo Madrigal confirmed to ACAN-EFE that President Arias is willing to meet with President Castro any time, but in Havana. According to Madrigal Nieto, Arias believes "Castro is linked to the Central American conflict" through his relations with the Managua government.

Madrigal stressed that Cerezo's suggestion to invite Castro to the meeting has not been officially made, but it is already considered a failed proposal because the Honduran Government will not consider officially inviting Castro, either.

At the 15 January San Jose meeting the presidents will assess the peace process and the fulfillment of the commitments made by the five Central American presidents at the Guatemala City meeting on 7 August.

Arias insisted that the January "summit" is for the Central American presidents, their foreign ministers, and local advisers, but not for foreigners.

Nicaraguan Account of Plane Downing Rejected

PA270039 Panama City ACAN in Spanish 2002 GMT 26 Dec 87

[Text] San Jose, 26 Dec (ACAN-EFE)—Public Security Minister Hernan Garron Salazar "emphatically" denied that the Nicaraguan state-owned Aeronica cargo plane, downed last Monday near the Nicaraguan border, was attacked from Costa Rica.

The statement by the head of Costa Rican security was in response to statements published today in BARRICADA, the official FSLN organ.

Garron told ACAN-EFE that there is enough evidence to say that the aircraft was attacked and started descending while it flew over the Sandinist base called "Machuca" and was hit again while flying over La Penca.

La Penca is famous because it was Eden Pastora's headquarters. Pastora, the Nicaraguan "Commander Zero," was attacked there and almost killed.

Minister Garron cited reports from Costa Rican border posts "Charlie 6" and "Delta 13," which can see several Nicaraguan bases.

Garron stated that both observation posts "saw and heard what happened on the Nicaraguan side of the border."

"Charlie 6" "observed when the aircraft was hit and saw smoke coming from its motor;" this took place between La Noca and Machuca. "Delta 13" "heard the attack from La Penca, when the plane was flying at a lower altitude" toward the border.

Garron said the aircraft copilot's statements that the plane crashed in Costa Rican territory "only 10 km" from the border were absurd. If this were so and he had "been flying for 13 minutes" in Costa Rica, the aircraft would have had to have been flying at less than 60 km per hour.

The truth is that the plane landed only 600 meters inside Costa Rica, at the mouth of the San Carlos River, a tributary of the San Juan River, Garron stated. This was also observed by Aeronica and Sandinist government officials who visited the scene 1 day after the accident.

The public security minister did not give further details because two official organizations, the Judicial Investigation Agency and the Attorney General's Office, are preparing official reports on these events.

El Salvador

Deputy Ministerial Changes 'Confirmed'

PA241458 San Salvador Canal Doce Television in Spanish 0300 GMT 24 Dec 87

[Text] Government sources this afternoon confirmed to this newscast that current National Police Director Colonel Rodolfo Antonio Robelo will replace Colonel Carlos Lopez Nuila as deputy security minister.

In addition, Colonel Leopoldo Hernandez, current commander of the 1st Infantry Brigade, will be appointed national police director. It has not yet been announced who will be the new commander of the 1st Infantry Brigade, stationed in San Salvador.

Eduardo Oqueli has been appointed new deputy culture and communications minister. Oqueli is a member of the Christian Democratic Party and cousin of FDR leader Hector Oqueli Colindres. Eduardo Oqueli replaces Roberto Edmundo Viera, who has been appointed culture and communications minister in place of former Minister Julio Adolfo Rey Prendes.

Finally, it was reported that in the next few days the government will release the names of the new planning and foreign trade deputy ministers... [corrects himself] ministers, who resigned this week. It has been said that the new planning minister could be current Deputy Public Works Minister Remo Bardi and that the new foreign minister could be former Agriculture Minister Aquilino Duarte. In addition, Education Minister Jose Alberto Buendia Flores will be appointed as president of the Central Electoral Council.

Guatemala

Cerezo on Energy Tariff, Other Price Increases

PA241944 Guatemala City EL GRAFICO in Spanish 20 Dec 87 p 3

[Unattributed article]

[Text] Guatemalan President Vinicio Cerezo has said that the increase in energy tariffs does not justify an increase in prices. He said it is regrettable to see that some business sectors simply want to profit from the suffering of the people for no reason.

Cerezo added that the truth is that not even the first bill with the new electricity tariff has been distributed yet, and the business sectors are already charging their clients for it.

Cerezo said that except for two or three products for which the electrical component is very high—for example, glass or those of the Cavisa enterprise, which are 30 percent energy—the energy consumption for making all other products is so small that any price increase is a purely profiteering activity.

President Cerezo said he will talk with the economy minister to create mechanisms to verify that any price increase will be exactly proportional to the energy tariff increase. He estimated the price increase to be about 0.01 percent of a centavo—in other words, nothing.

Cerezo stated that increasing prices now is going against the interests of the people. However, he added that measures will be taken to control the price increase.

Honduras

Foreign Minister Denies Plans To Invite Castro

PA240439 Panama City ACAN in Spanish 1547 GMT 23 Dec 87

[Text] Tegucigalpa, 23 Dec (ACAN-EFE)—Honduran Foreign Minister Carlos Lopez Contreras today reported that the Honduran Government has not considered sending a special, official invitation to Cuban President Fidel Castro to visit the country.

This is how the head of Honduran foreign policy reacted to media reports from various countries that the Central American governments would officially invite Fidel Castro.

Of the Central American countries Fidel has only visited Panama and Nicaragua and has fully aligned himself with those governments on several occasions.

According to Lopez Contreras, "the Central American conflict has its origins in Soviet intervention through Cuba, and we are trying to eliminate this presence or at least limit it as much as possible. We will not achieve this by inviting Fidel to visit the region."

However, Lopez Contreras does believe that coexistence with Marxist regimes is possible within the practice of democracy. In an obvious reference to Nicaragua, the foreign minister added: "we already have a Marxist regime in Central America and we coexist with it."

Nicaragua

Ortega's Christmas, New Year's Message

PA250240 Managua Domestic Service in Spanish 0132 GMT 25 Dec 87

[Christmas and New Year's message by President Daniel Ortega from the La Mascota Children's Hospital in Managua on 24 December]

[Text] [Begin Ortega recording] This is my message to the people of Nicaragua and to the other Central American peoples: We are going to continue struggling for peace in 1988, as we have been doing for the past 7 years, until we finally achieve peace. Today, 24 December, we are celebrating Christ's birth. This is a very significant date for the Nicaraguan people, for the Central American people. We find the dramatic situation of these children— this one is named Jairo, this other one is Alvaro—who have been shot and wounded by President Reagan, shot and wounded by the U.S. Congress. They are the ones who have harmed these children, because they are the ones who finance the criminals who carry out these attacks against the Nicaraguan people. I feel we should commemorate this 24 December with [words indistinct], with joy. We must celebrate it, always remembering that Nicaraguan blood is being shed every second, every minute, because the United States is against us, hurting and torturing our people, and this is something that cannot be forgotten on this 24 December. [end recording]

[Announcer] This message was made during a visit Ortega paid tonight to La Mascota Children's Hospital to visit two children who are victims of the mercenaries sent by the Reagan government, and who were shot in the Rama region. One of them is 9-year-old Jairo Medina [words indistinct].

Ortega on Possible Sites for New Contra Talks

PA250254 Managua Domestic Service in Spanish 0126 GMT 25 Dec 87

[Text] Nicaraguan President Daniel Ortega announced tonight before local reporters during a visit to La Mascota Children's Hospital [in Managua] that the next round of talks between the Nicaraguan Government and the Nicaraguan Resistance [RN] will be held either in Panama or Belize. The Nicaraguan president referred to the defamatory campaign of the Reagan administration.

[Begin recording] [Ortega] It seems to me that in the Dominican Republic [words indistinct] and that a Central American country would be preferred by them. [Words indistinct] so I believe it is natural that they be held in Panama or Belize, for example, since both are in Central America.

[Reporter] In a [words indistinct] cable says that the Tupac Amaru guerrillas had EPS uniforms confiscated from them. What do you say to this?

[Ortega] That is part of the campaign against Nicaragua to make us appear as meddlers who attack everywhere, outside the Central American region, in South America. I believe that when you refer to the Tupac Amaru, it is in Peru, right? This is part of the U.S. Government's campaign against us, and there is no point discussing it. [end recording]

Cardinal Urges 'Face-to-Face' Negotiations

PA280222 Paris AFP in Spanish 2336 GMT 27 Dec 87

[Excerpts] Managua, 27 Dec (AFP)—Cardinal Miguel Obando y Bravo today urged the Nicaraguan Government to accept "face-to-face" negotiations with the contras to advance the cease-fire process.

In his homily today at Las Sierritas Church in eastern Managua, the cardinal expressed his hope that 1988 "will be somewhat better for the Nicaraguan people, without war or hunger."

The government and "Nicaraguan Resistance" commissions, after two failed attempts to negotiate a cease-fire in Santo Domingo, are reportedly ready to start a third round of indirect talks in the first few days of January, according to a recent statement by the cardinal, who acts as mediator. [passage omitted]

Obando y Bravo today said that "I hope that in 1988 the government commission can meet face-to-face with the rebel commission, setting aside bruised self-esteem and pride, so we can concern ourselves only with those who are dying."

He said it is "ridiculous" that on 24 December the Nicaraguan people celebrated the birth of the "God of life while we are killing each other and spilling our blood."

He also called on both sides of the conflict to "set aside hate and rivalry" and asked all Catholics, 80 percent of the Nicaraguan people, to "pray for peace" during a massive religious ceremony to be held next Friday.

The cardinal said a parish priest in the strife-ridden community of Pantasma, Jinotega Department, sent him a letter asking him to "do something" because "our people are dying, and our girls are being raped, abused, and mistreated."

"We must all do something because we cannot continue sitting on our hands," the cardinal said.

Reportage on Compliance With Christmas Truce

Ministry: Truce Honored

PA242238 Buenos Aires REUTER in Spanish 2155 GMT 24 Dec 87

[Text] Managua, 24 Dec (REUTER)—The Nicaraguan Government today denied reports by a U.S. television network that the Nicaraguan Christmas truce was broken by the U.S.-supported rebel contras.

"There have been no reports to that effect. The truce is being honored by all military units," a Defense Ministry spokesman told REUTER at 1500.

The spokesman added that reports that armed Indians from the "Yatama" organization attacked Sandinist headquarters on the shores of the Prinzapolka River on the Atlantic coast have not been confirmed, but, in any case, the truce has not been broken because that particular organization had announced it would not observe the truce.

The truce, proposed by Nicaraguan Catholic Cardinal Miguel Obando y Bravo, was accepted by the Nicaraguan Government and the contras.

The truce will will be in effect, according to the agreement, until midnight on Friday.

Ortega Reports Violation

PA251705 Buenos Aires REUTER in Spanish 1515 GMT 25 Dec 87

[Report by Agustin Fuentes]

[Text] Managua, 25 Dec (REUTER)—The contras violated the Christmas truce yesterday by attacking a peasant cooperative in Chontales Province, but the Nicaraguan Government is adhering to the truce, a Defense Ministry spokesman said this morning.

President Daniel Ortega himself reported the violation when he visited a children's hospital in Managua.

The president did not give any details, but reports from the military region where the attack took place stated that at least one child was wounded in an attack against an agricultural production cooperative located 5 km from Villa Sandino, 160 km from Managua.

The personnel of the Army's public relations office said this morning that because of the holidays and the lack of communication with the area, the only information they have is that supplied by the president, but that by 0900 (1500 GMT) they would obtain a report and issue a bulletin.

A Defense Ministry spokesman said this morning that the Christmas truce is being maintained, since no instructions have been issued to the contrary.

The source said that reports broadcast by foreign shortwave stations stating that the truce had been broken are causing confusion and could provoke clashes between Army troops and the contras.

"Nevertheless, all Army military units are very clear on the policy of this truce, which is not to carry out offensive actions and only respond to fire when attacked," the source added.

According to available information, there were no regular Army troops in the attacked cooperative, only armed peasants.

"This is a self-defense cooperative, and the attackers fled when they realized that the peasants defended themselves," the source added.

The truce was proposed by Cardinal Miguel Obando y Bravo to stop the river of blood at least for the holidays, since no definite cease-fire has been negotiated.

It was accepted first by the government and then by the contras.

So far, neither side has said that it is ending the truce, which is scheduled to end at 2400 today.

The 6-year internal war has caused more than 40,000 deaths, extensive destruction, and an acute economic crisis in the country.

Government Lists Violations

PA252005 Managua Domestic Service in Spanish 1915 GMT 25 Dec 87

["Information bulletin" issued by the Public and Foreign Relations Directorate of the Defense Ministry in Managua; dated "26 December"]

[Text] The truce accepted by Daniel Ortega Saavedra, Nicaraguan president and commander of the revolution, in response to a request made by Cardinal Miguel Obando y Bravo, has been violated by the counterrevolution because in offensive attacks the contras carried out the following actions beginning at 0000 on 24 December 1987:

At 0030 on 24 December, counterrevolutionary groups attacked the neighborhood of San Jose, 25 km northwest of Nueva Guinea, the autonomous region of the south Atlantic, killing one militia member and injuring another. In addition, five mercenaries were killed.

At 0345 on 24 December, a counterrevolutionary group attacked Quinama cooperative with rifle fire. The cooperative is located 3 km west of (Nian), Chontales Department. Two counterrevolutionaries were killed in this attack.

At 0640 on 24 December, counterrevolutionary groups attacked our troops in La Ceiba, 12 km southwest of La Batea, Chontales Department. Three of our troops were wounded and one mercenary was killed in this clash.

At 0700 on 24 December, a mercenary group attacked Santa Rita cooperative, 17 km southwest of San Jose de Bocay, Jinotega Department. The attack was carried out with 81-mm mortar fire, and no casualties were reported.

At 0900 on 24 December, counterrevolutionary groups attacked our troops in Cano La Crucita, 14 km northeast of El Cua, Jinotega Department. Two of our comrades were injured and one counterrevolutionary was killed.

At 1625 on 24 December, mercenary forces attacked our troops on Las Penas hill, 16 km northwest of Rio Blanco, Military Region 6. No casualties were reported.

At 2400 on 24 December, a mercenary group attacked our troops at a place located 24 km northeast of Rama, in the autonomous south Atlantic region. The mercenaries left an L-79 grenade launcher behind in their withdrawal.

Managua, 26 December 1987 [date as heard]

[Signed] Public and Foreign Relations Directorate of the Nicaraguan Defense Ministry

RN Denies Breaking Truce

PA251925 Buenos Aires REUTER in Spanish 1841 GMT 25 Dec 87

[Text] Tegucigalpa, 25 Dec (REUTER)—The Nicaraguan rebels today denied Sandinist charges that they had broken a 2-day Christmas truce, claiming that government forces tried to provoke them into attacking.

"We have not broken the cease-fire. Our soldiers have orders to respond only if they are attacked by the Sandinists," Nicaraguan Resistance [RN] spokeswoman Adela Icaza told REUTER.

A Defense Ministry spokesman in Managua said that the contras had launched an offensive yesterday against an agricultural cooperative in Chontales Province, thereby breaking a 48-hour truce that was in force since 0000 today.

President Daniel Ortega confirmed the attack, and sources from the region said that at least one child had been wounded in the clash.

"They are trying to provoke us with false reports so we will break the cease-fire," Icaza said from a Central American country she declined to name. She added that the contras are seeking more information on this presumed clash.

Representatives from the anti-Sandinist Indian tribes, the only rebel group not part of the RN, also said they had not broken the cease-fire and that they would only respond if they were attacked.

The Indians, who can muster some 1,000 fighters, compared to 12,000 by the RN, are not fighting in Chontales Province, confining their actions to their traditional Caribbean coastal areas of Nicaragua.

EPS Says 137 Contras Killed During Attack

PA241640 Managua Radio Sandino in Spanish 1500 GMT 24 Dec 87

[Report by Jose Luis Zapata]

[Excerpt] [Passage omitted] Region 7 chief Major Ramon Soza has reported that 137 counterrevolutionaries were killed during their attack on the mines of Bonanza, Rosita, and Siuna. In addition, Reagan's foster children are taking 66 wounded men along in their withdrawal.

In their propaganda attack carried out to encourage the U.S. Senate to approve the 200-million-cordoba [as heard] aid, the counterrevolution destroyed the El Salto and Siempre Viva plants at the Bonanza mine and a voluntary police post.

In addition, the counterrevolutionaries killed 19 civilians and injured 93 others. There are 21 people missing and 73 kidnapped. At Siuna mine the rebels destroyed a radar link that served civilian aviation communication and an arms storage room used as a repair shop.

The casualties of the self-defense militias, the units sent by the Interior Ministry, and the EPS include 49 deaths and 76 wounded. Maj Soza said that the area was defended by 8 squads... [corrects himself] a total of 12 squads, including the EPS and the militias. The squads totaled approximately 360 men. The greatest support in repelling the attack was given by the civilian self-defense groups in the mine areas, which were attacked by some 1,000 counterrevolutionaries, who are being pursued by the EPS and the Interior Ministry troops. [passage omitted]

Further on Toll, Damage

PA270432 Buenos Aires REUTER in Spanish 2015 GMT 26 Dec 87

[Text] Managua, 26 Dec (REUTER) — Nicaraguan Defense Ministry sources today said that the number of deaths in the clashes in three mining towns in the country's northwest early this week is a new record.

The largest number of contra and government troops ever to meet in a single battle clashed for 2 days at Siuna, Rosita, and Bonanza, sites of the country's largest gold, silver, and copper deposits. The fighting resulted in 213 deaths.

Although Managua has said some 1,000 rebels participated in the attack, Subcommander Jose Gonzalez, the top political-military government official in the area, has stated that 3,000 contras participated in the attacks. The U.S. Government has estimated the number at 5,000 and the contras leaders said there were 7,000.

According to the latest figures included in a communique released this morning, 137 contras, 57 soldiers, and 19 civilians were killed in the clashes.

The total number of casualties is 545, including dead, wounded, prisoners, and missing in action. This is a record figure in the war that several thousand U.S.-backed rebels have been waging for nearly 6 years to overthrow the Sandinist regime.

International Red Cross officials have said that the ratio of civilian victims to the total number of casualties in this confrontation—19 out of 545—is very high.

Government sources have said nearly all of the civilian casualties, dead and wounded, were in neighborhoods hit by mortar rounds fired by the contras from nearby hills.

In the communique, the government for the first time admitted that the Soviet-made radar sites at Siuna were destroyed by what the sources described as "indiscriminate contra mortar crossfire."

The government also reported that at Bonanza a government registry office was destroyed and mining equipment and a TELCOR [Nicaraguan Telecommunications and Postal Services Institute] building were damaged.

The Defense Ministry also stated that the Christmas truce ended at midnight Friday and that a detailed accoun of "the violations of the truce by the counterrevolutionaries" will be released Sunday or Monday.

According to military sources, the violations were aimed at sabotaging peace efforts so $270 million for the contras could be approved by the U.S. Congress and so the war could continue.

'Heroic Town' Lauded

PA242306 Managua BARRICADA in Spanish 24 Dec 87 p 1

[Text] Siuna—The barbarian nature of the Reagan administration's mercenaries was amply demonstrated in this heroic town where—unable to destroy the economic infrastructure—the mercenaries murdered 26 Nicaraguans, among them 7 children, several women, and 13 heroic fighters belonging to the defense militias.

The commander for Region 7, Major Ramon Ernesto Soza, stated that the attack against the mining towns of Bonanza, Siuna, and Rosita cannot even be called a pyrrhic victory; it was simply a propaganda coup devised by the CIA, which combined the forces of three so-called regional commands, normally kept in the northern and central regions of the country, "to justify the additional financing it is requesting from the U.S. Congress."

A total of 1,000 mercenaries participated in the action. One hundred and thirty-seven were killed and 66 wounded during the fighting that lasted most of the day on Sunday. Initially they were driven back by 12 platoons (360 men) of the Sandinist Armed Forces.

After 13 and 1/2 hours of fighting on Sunday, Washington's "champions" were unable to attain any economic or political objectives. Siuna's defenders have revealed that less than 100 combatants put an end to the offensive at 1400, when a squadron of 50 militiamen arrived as reinforcements to repel the invaders.

The mercenaries destroyed the peasant settlement of Tadasna, under construction, and massacred 5 children and 2 adults who had sought refuge in a manhole. This is typical of the crimes and kidnappings committed by the mercenaries against the civilian population.

Panama

Government Pardons Diaz Herrera, Supporters

PA251610 Panama City Domestic Service in Spanish 1533 GMT 25 Dec 87

[Text] Former Colonel Roberto Diaz Herrera, who was recently sentenced to 5 years in prison, has been released by the Panamanian Government. Diaz Herrera traveled to Caracas under the responsibility of former Venezuelan President Carlos Andres Perez.

Diaz Herrera, who was accused of attacking the Panamanian state's internal security, left Panama yesterday afternoon on board a private plane belonging to Perez for Caracas, where he met with his wife and three children, who have been living in that capital since 29 July.

An official source that requested not to be identified said that one decree granted freedom to Diaz Herrera and a different one released seven of Diaz Herrera's followers, who were also sentenced to 5 years in prison.

Diaz Herrera's statements caused disturbances in Panama and were used to form the opposition Civic Crusade. Diaz Herrera, who took refuge in his own home until his arrest on 27 July by a Defense Forces commando, retracted his statements, arguing that he had no proof against General Noriega and that his statements were made under an emotional condition caused by his unexpected retirement.

Diaz Herrera was kept imprisoned until 24 December, when he was transferred to Omar Torrijos International Airport, from where he left for Caracas.

Diaz Herrera's seven collaborators who will be soon released are: Franklin Morcillo, Gabriel Pinzon, Javier de Gazo, Soroel Diaz, Jorge Caceres, Alberto Cubillas, and Gregorio Escobar.

FDP Communique on Release

PA260040 Panama City Televisora Nacional in Spanish 0000 GMT 26 Dec 87

[Communique issued by the Panama Defense Forces (FDP) on 25 December in Panama City]

[Text] Roberto Diaz Herrera, former colonel in the Panama Defense Forces, was released at noon on 24 December and shortly thereafter left for Caracas, where his family lives.

Prominent Latin American politicians, friends of the Republic of Panama, and friends of General Omar Torrijos had asked the president of the Republic to pardon Roberto Diaz Herrera.

The former colonel was tried on 7 December and sentenced to 5 years in prison by the 8th Circuit judge, who found him guilty of crimes against national domestic security.

Signed: Major Edgar Lopez, Director of Information and Public Relations for the Panama Defense Forces

25 December 1987

Gen Noriega Releases 700 'Common Criminals'

PA251625 Panama City CRITICA in Spanish 23 Dec 87 pp 1, 20

[Article by Jorge Mombeliard]

[Text] Seven hundred common criminals who were serving their sentences in various Panamanian jails, and some others whose legal processes had been at a standstill for a long time, were freed yesterday as result of the

direct efforts by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, who thus responded to the request of hundreds of Panamanian families.

Speaking on behalf of Gen Noriega, Colonel Angel Mina Justiniani, G-3 General Staff, told the freed prisoners at Modelo Jail (a total of 141 prisoners) that their freedom at Christmas time "is given for you to meet with your families, wives, children, brothers, and mothers; and to give peace to all Panamanian homes.

Col Mina insisted that "our Commander Manuel Antonio Noriega is known as and is called commander of peace. [no closing quotation mark as published] Col Mina added that he was bringing the following message from Gen Noriega: "Prisoners, make a truce during these days; do not get in trouble; and try to enjoy these days with your families, because Gen Noriega does not want to see you around here again."

Col Mina's statements were received by the prisoners with a great commotion; they shouted: "Finally someone remembered the sons of the cook and the miserable ones who cannot afford to pay a lawyer."

Some prisoners complained even in front of television cameras and photographers of the written press because they said they had been in jail for months and no judge remembered them, despite having committed insignificant crimes. The prisoners also expressed thanks for Gen Noriega's humanitarian efforts.

Modelo Jail Director Col Eric Aguilera, along with Majors Cieto Hernandez and Garibaldi, told CRITICA that 700 prisoners had benefitted from Gen Noriega's efforts. Of the 700 prisoners, 141 are from Modelo Jail and 198 from Coiba prison island. Obviously, that figure does not include political prisoners, murderers, rapists, psychopaths, or those accused of armed robbery, sedition, or embezzlement against state institutions.

Concerning those prisoners with pending processes for political crimes and attacks on the stability of the Panamanian state, President Eric Arturo Delvalle already issued a general pardon, which has similarly been released to the public.

Labor Party on Supreme Court Nomination

PA260241 Panama City CRITICA in Spanish 23 Dec 87 pp 1, 20

[Communique issued by the Labor Party Political Commission in Panama City on 21 December]

[Text] The Labor Party [PALA] reports to its membership and citizens in general that the decision—subject to approval by the National Assembly—to appoint former PALA member Campo Elias Munoz as a Supreme Court magistrate was made solely by the president of the Republic.

Therefore, PALA rejects as baseless all innuendos and statements aimed at linking our party with negotiations to obtain this position.

We will remain alert for other possible measures and appointments that are made without prior consultation, which may be designed to maliciously destabilize UNADE [National Democratic Union] member parties.

Panama City, 21 December 1987

Opposition Leaders Criticize Pardon Decree

PA260342 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Dec 87 pp 1, 10a

[Article by James Aparicio]

[Excerpts] Opposition leaders yesterday said that the decree issued by President Delvalle pardoning 90 opposition members, who have been protesting against the government since June, is selective, meaningless, and political propaganda.

Marcos Alarcon, an assemblyman and leader of the Independent Teachers Movement, said, "it is a government ploy to improve its image abroad."

Alarcon said that despite the pardon, there is still no freedom of the press, nor right of assembly, and there have been no changes in the judicial branch. He said, therefore, "the pardon does not mean that anything here is going to change."

Meanwhile, Carlos Ivan Zuniga, who was pardoned yesterday and is president of the People's Action Party, said, "the government cooked up a charge of inciting violence and invented a pardon for me." He says the pardon is "completely meaningless."

Zuniga said, "guaranteeing freedom does not depend on a pardon. It depends on the attitude of the government, and this government does not have a democratic attitude." [passage omitted]

Carlos Arellano Lennox, vice president of the Christian Democratic Party, proposed an amnesty approved by the Legislative Assembly. He added that to accept the presidential pardon would be admitting "guilt."

Osvaldo Velasquez, president of the Human Rights Commission, criticized President Delvalle's decision because it is selective. He said, "no one ever called for rebellion, nor conducted armed actions against the government." He felt the "pardoned people" were "persecuted" because of their political beliefs. [passage omitted]

Brazil

Sarney To Reorganize Communications System

PY242359 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Dec 87 p A-4

[Text] Brasilia—FOLHA has learned that President Sarney intends to completely reorganize the government communications system at the beginning of next year, and to designate journalist Antonio Frota Netto, former Planalto Palace spokesman, as director of the new department that will be responsible for the official radio, television, and news agency.

In order to implement the reform, Sarney will have to issue decree-laws transferring to the Civil Cabinet the Brazilian News Agency (EBN), currently under the Justice Ministry; the Brazilian Radio Broadcasting Company (RADIOBRAS), currently under the Communications Ministry; and the Brazilian Foundation of Educational Television (FUNTEVE) (Fundacao Centro Brasileiro de Televisao Educativa), currently under the Education Ministry.

The first step in making Frota Netto head of the new communications complex will be to designate him president of FUNTEVE. This foundation encompasses nearly 20 educational television stations throughout the country. Frota Netto is already working at the Planalto Palace, even though he insists he only wants to become the economic commentator for the Brasilian Television System (SBT).

Frota Netto will be assisted by current RADIOBRAS President Antonio Martins and the future directors of the EBN, currently headed by acting President Adolfo Eric de Toledo.

Civil Household chief Ronaldo Costa Couto said yesterday that Sarney will no longer have a spokesman like Fernando Cesar Mesquita, currently governor of Fernando de Noronha territory, or Frota Netto. The communication organs of the different government departments will be responsible for the transmission of specific information. The radio, television, and news agency complex will be responsible for reporting government activities.

Antonio Martins has been holding meetings with his advisers for the last 2 months to study the most effective ways of reporting government information. One of the first decisions made by the group was that RADIOBRAS would broadcast all ceremonies in which Sarney participates.

Surinamese Armed Forces Chief of Staff Visits

PY200215 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Dec 87 p 2

[Text] Brasilia (Agencia ESTADO)—Commander Iwan Frank Graanoogst, chief of staff of the Surinamese Armed Forces, arrived in Brazil on 1 December as part of scheduled visits to the Brazilian Army by foreign military officials. Although the Surinamese officer stayed in Brazil until 6 December, his visit was not reported by the press.

Graanoogst met with Army Minister General Leonidas Pires Goncalves and with Acting Army Chief of Staff Carlos Tinoco Gomes. Although nothing has been reported on the issues discussed at these meetings, a Pires adviser said Graanoogst requested neither political asylum in Brazil nor military aid.

In Brasilia, the Surinamese official was decorated with the Order of Military Merit and was briefed on organizational aspects of the Brazilian Army at the General Staff Headquarters. In Rio de Janeiro, he attended graduation ceremonies at the Officer Training School (ESAO) and at the Agulhas Negras Military Academy.

Briefs

Wheat Harvest Figures Reported

Brasilia—According to Renato Zandonadi, national supply secretary of the Agriculture Ministry, Brazilian wheat production in 1987 will amount to 6.1 million tons. According to the Brazilian Institute of Geography and Statistics (IBGE), 3,043 million hectares of wheat were cultivated this year. [Summary] *[Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Dec 87 p 23 PY]*

Chile

U.S. Tariff Resolution Criticized as Unfair

Labor Minister Cited

PY251431 Santiago Domestic Service in Spanish 2200 GMT 24 Dec 87

[Text] Labor Minister Alfonso Marquez de la Plata has said that if it becomes effective, the U.S. Government resolution to exclude Chile from the benefits of the Generalized System of Preferences [GSP] for alleged violations of internationally recognized labor rights will be unfair and discriminatory. The text of his declaration follows:

We do not have official knowledge concerning the U.S. Government resolution to exclude Chile from the GSP, which would force some Chilean producers to pay normal tariffs on their exports to the U.S. market. If the wire version turns out to be true, however, it will be very regrettable, even though 90 percent of our exports to the United States do not enjoy such exemptions. The suspension of the GSP will affect the incomes of a group of Chilean workers and producers of the affected goods. If the decision becomes effective, it will clearly be unfair and discriminatory.

As everyone knows, a group of opposition political leaders has traveled the world over seeking funds to sustain a campaign, the like of which has never seen before, to oppose our government's work. This opposition group no doubt requested sanctions against Chile on the grounds that our country does not respect internationally recognized labor rights.

The only labor rights that are internationally recognized emanate from the ILO, and Chile has been a member of that organization since it was founded in 1919. Chile has ratified 40 ILO agreements while the country attacking us, the United States, has ratified only 7 agreements. All our legislation, beginning with the 1930 labor code, is based on ILO agreements and contains regulations to protect workers, including maximum working hours, minimum age, overtime provisions, protection of women, Sunday rest, etc.

Moreover, all laws enacted by previous governments not in accordance with international agreements have been modified by the present government.

Commentator Deplores Decision

PY262107 Santiago Domestic Service in Spanish 0930 GMT 26 Dec 87

[By Manuel Gamonal]

[Text] Good morning. First of all, my affectionate greetings to all of you on Christmas, which is a celebration of love and hope. And our best wishes for success in the new year. As a poet put it, this success will come if each of us builds his own future. We are well aware that our future involves the continuation of the great institutionalization work and the achievements of the past 14 years. We will be the direct builders of our future because the fulfillment of this historic objective will be achieved through a positive response to the plebiscite, which depends on each and every one of us. In this way we will not waste this great, unique opportunity to build a country that can defend its sovereignty with dignity and without fear when that sovereignty is jeopardized, as is currently happening.

It is surprising to have two enemies that are on opposite sides: international communism and U.S. imperialism. We have experienced the communist aggression through terrorism and continual political violence, while the U.S. aggression has become increasingly cruel as we approach the moment when the sovereign and free Chilean people will vote in the presidential plebiscite. This has been one of the most important issues of this political week.

There is a plan being implemented step by step. Everything began with the statements, meetings, and reports by U.S. Ambassador to Chile Harry Barnes, who has demonstrated an unfriendly attitude toward the Chilean Government. Proof of this is the fact that Barnes has leveled charges—without evidence and disregarding Chile's century-old civil and criminal laws—blaming military officers for the assassination of [former Chilean Foreign Minister Orlando] Letelier and [Letelier's secretary Ronny] Moffit, despite the overwhelming evidence linking this to the CIA.

The aggression against Chile began in the White House and (?continued) with the sending to Chile of whoever they found to be opposed to the Chilean institutionalization process. These people who oppose the institutionalization process have come to Chile to insult the country, abusing Chilean hospitality.

The aggression against Chile has continued with statements by Reagan and Shultz, which have been—as they should have been—officially repudiated by the Chilean Government. These statements, however, have not recognized that the electoral process that will lead us to formal democracy, based only on periodically held elections, is not the best way to ensure popular participation, as is recognized by even the staunchest supporters of democracy. [sentence as heard]

We say the fact that the White House statement recognizes that the Chilean process will lead to full democracy is recognition that the methods being used are democratic, because nobody can use such methods unless guided by a democratic spirit. This implicit recognition is, however, not enough to make the statement by the high-ranking U.S. officials acceptable. The Chilean Government has therefore reacted as it should by rejecting this aggression. The United States, in a typically imperialist gesture, has proceeded to remove Chilean products from the list of products subject to preferential customs treatment. In this way, the powerful U.S. economy discriminatingly grants favors to those it feels like granting such favors to, without taking into account principles of justice or simple standards of rational behavior. As Julio Duran [not further identified] pointed out to me, this is a delicate matter not only for Chile, but for those who today jump on the White House bandwagon, approving anything it does. For what this means is that at any time, and for reasons that only U.S. officials understand, the same medicine in equal dosage will be administered to anyone who happens to fall out of favor with the Oval Office in Washington. This new unfriendly gesture from the United States reminds me of Lucas' cartoon. It shows a leafy tree with strong roots spreading in all directions. On its trunk can be read: Thanks to all those who have attacked me, forcing me to grow all alone, because I have learned to develop myself. This tree is Chile. Good morning.

Pinochet Dedicates Television Phone System

PY221822 Santiago Domestic Service in Spanish 1600 GMT 22 Dec 87

[Excerpt] President Pinochet has dedicated the new television phone system operated by ENTEL Chile, the national telecommunications enterprise. The ceremony was attended by ENTEL Chile officials, ministers, and

other officials. The new system allows for instantaneous television and phone communications between Santiago, Antofagasta, and Concepcion.

With the new system, anyone can engage in a phone conversation and at the same time see his interlocutors in other cities. The system also allows for the transmission of university and business training courses and conferences. [passage omitted]

Government Authorizes 54 Exiles To Return

PY240030 Santiago Domestic Service in Spanish 2200 GMT 23 Dec 87

[Text] The government has authorized 54 exiles to enter the country. The government late this afternoon released a new list of people—54 in all—who had been banned from entering the country, but are now authorized to enter. This list was released by the Interior Ministry at La Moneda Palace.

Details Given on PPD Purpose, Organization

PY221248 Santiago EL MERCURIO in Spanish 16 Dec 87 p C-2

[Excerpts] The Party for Democracy [PPD] was created yesterday during a ceremony attended by more than 300 representatives of the political, social, and cultural spheres. PPD President Ricardo Lagos defined this political organization as "instrumental and without ideological barriers." [passage omitted]

The only speaker during the ceremony was Ricardo Lagos, who was constantly applauded by the crowd. Lagos said that politicians should set examples of self-denial and they should put the fatherland above personal ambitions. He said that upon accepting the PPD presidency he confirmed his decision not to become a candidate for any position in a popular election after democracy is restored. However, he explained that any Chilean capable of uniting Chileans to face any future electoral process will have PPD support.

Lagos said: "We are today founding the PPD as a response to the dilemma Chile faces: dictatorship or democracy. We are here because we understand that the future definitions of the country will be made around that dilemma." He added that the permanence of President Pinochet in the government represents polarization and confrontation in the country. [passage omitted]

Lagos concluded by saying that if the plebiscite is held, he would call on the people to vote no, in order to make open elections possible. He said: "The defeat of General Pinochet in the plebiscite would mean the end of institutionality... because no one could conceive of a defeated general remaining 1 more year in power."

The PPD executive board is made up of Ricardo Lagos (Socialist Party headed by Nunez) as president; Armando Jaramillo (Republican Party) and Manuel Sanhueza as vice presidents; Jorge Schaulsson (Republican Party) as secretary general, and Rodrigo Gonzalez (MAPU) [United Popular Action Movement] as treasurer.

The PPD general council is made up of Carmen Gloria Aguayo, Maria Ester Aliaga, Pilar Armanet, Jorge Arrate, Samuel Bello, Berta Belmar, Ricardo Brodsky, Marcelo Contreras, Patricio Cotal, Carla Cristi, Guillermo del Valle, Guido Guirardi, Humberto Lagos, Maria Maluenda, Mario Mejias, Victor Manuel Rebolledo, Aniceto Rodriguez, Maria Antonieta Saa, Nelson Salinas, Anibal Scarella, Erich Schnake, Nissin Sharim, Clorilde Silva, Vicente Sotta, Julio Subercaseaux, Juan Gabriel Valdes, and Esteban Valenzuela.

The PPD Supreme Court is made up of Laura Soto as president; Victor Sergio Mena as vice president; Gregorio Eguiguren as secretary; and Oscar Ruiz, Ernesto Galaz, and Washington Don as regular members.

Communist Youth Arrested in Antofagasta

PY222228 Santiago Domestic Service in Spanish 1600 GMT 22 Dec 87

[Relay from Antofagasta]

[Text] Police have arrested six members of a combat unit of the Communist Youth on charges of being responsible for subversive actions, for creating an environment of fear, and for disturbing public order.

The police did not report how the subversives were arrested. The information given says that three men and two women are now being held. The National Intendancy released a communique reporting that police, on orders from the Interior Ministry, arrested (Marcel Alejandro Garay Berulech), 18 years of age; (Rodrigo Sebastian Miguel Amoreira), 19 years of age; (Andrea Paola Urbieta Castillo), 20 years of age; (Adriana del Carmen Censu Moscoso), 20 years of age; (Claudio Ernesto Labarca Belis), 19 years of age; and (Karen Sucila Lastra Zuniga), 19 years of age, who was released due to a lack of evidence. [Words indistinct] responsible for terrorist activities. Those arrested are now at the disposal of the military prosecutor. They are being held at the Social Readaptation Center and the [words indistinct] center in Antofagasta.

Briefs

Loan for Power Plant Signed

In Washington, Chile has signed a $95-million loan which will be used by the Production Development Corporation [CORFO] and the Pehuenche Electric Power Company to finance part of the construction of the Pehuenche hydroelectric power plant, located in the

7th region. The $95-million loan features a 17.5-year repayment period, a 4.5-year grace period, adjustable interest rate, and repayment in 25 six-month installments. The loan contract was signed by Chilean Ambassador to the United States Hernan Felipe Errazuriz; Jaime Bauza, the general manager of the Pehuenche electric power company; Carlos Borquez, CORFO manager in New York; and (Shahib Hussain) of the World Bank. [Excerpts] */Santiago Domestic Service in Spanish 0930 GMT 18 Dec 87 PY/*

Colombia

Casualties Reported in FARC Guerrilla Clashes

Military Base Attacked

PA271507 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 27 Dec 87

[Amparo Contón report]

[Text] Approximately 80 members of the 4th and 14th FARC Fronts occupied Canta Gallo, San Pablo Municipality, at 0300 today. The guerrillas' objective was to occupy the Canta Gallo Military Base, but the Army prevented that. According to residents of the aforementioned municipality, the confrontation lasted approximately 3 hours.

[Begin recording] [Unidentified speaker] Two men approached me from two different directions and told me: Get out of here; this is an attack.

[Conton] Were they FARC members?

[Speaker] Well, anything I tell you about that would not be accurate, because at the time we had no electricity. We could not identify them.

[Conton] What happened after that?

[Speaker] The Army patrol arrived at that time, and one man was lying on the floor at my post. When they [not further identified] saw something strange, they started shooting. [end recording]

Some of the FARC guerrillas took cover behind an Army tank to attack the Canta Gallo Military Base. The FARC members also tried to set fire to a bus. Three FARC members, including one woman and two men, were killed.

Three antiguerrilla units are now pursuing the groups of the 4th and 14th FARC Fronts that attacked Canta Gallo this morning. Canta Gallo is in San Pablo Municipality.

Policemen Killed in Meta

PA272107 Bogota Cadena Radial Super in Spanish 1730 GMT 27 Dec 87

[Text] A wave of guerrilla attacks following Christmas celebrations resulted in six deaths, including four policemen killed. In addition, two people were injured and communications equipment was stolen. These actions took place in Meta, Bolivar, and northern Santander Departments.

Colonel Orlando Moreno Millan, commander of the Meta and eastern plains police deparment, described the violent death of the four policemen as treacherous and cowardly. The policemen were alledgedly killed by FARC guerrillas.

Col Moreno Millan said: The despicable murder of the four policemen was treacherous and cowardly. They did not even have time to defend themselves.

Col Moreno stated that police reinforcements were sent by air to Guayabal de Utia, Cabuyaro Municipality, northern Meta Department.

Maria del Carmen Hernandez, the wife of one of the murdered policemen, said the guerrilla attack on Guayabal de Utia, Cabuyaro Municipality, which was apparently carried out by FARC members, took place at 2200 when people were dancing in the streets.

Hernandez said the attack occurred at about 2200. She said: Everything was calm, and people were dancing in the streets, when suddenly a shot rang out and a policeman was killed. I was in a nearby store with some friends.

Mrs Hernandez said a young man ran and warned other policemen, who were guarding one of the dance sites. She added: The policemen went to see what was going on and were shot. Those men surrounded the policemen. They were armed and fired all kinds of weapons. The policemen could not even defend themselves except for policeman [name indistinct] who shot at the attackers, but nothing else happened and he was murdered.

Briefs

Minimum Wage Increase

Bogota—The National Planning Department has reported that the most advisable minimum wage increase in 1988 would be between 22 and 23 percent. Currently, the minimum wage is 20,509.93 pesos. If it were increased by 22 percent, it would reach 25,022.011 pesos, and if the increase were 23 percent—as recommended by the Planning Department—the minimum wage would be 25,227.21 pesos in 1988. The planning office warned that any increase beyond these percentages would only bring about negative effects. Among other

things, prices of staples would automatically soar, reducing the workers' purchasing power, and production costs would increase, inhibiting the creation of jobs and straining labor-management relations. [Summary] *[Bogota Emisoras Caracol Network in Spanish 1215 GMT 23 Dec 87 PA]*

Paraguay

Stroessner Gives Christmas Address to Nation

PY241454 Asuncion Domestic Service in Spanish 1157 GMT 24 Dec 87

[Christmas address to the nation by President Alfredo Stroessner from the Independence Hall of the Government Palace—live]

[Text] Paraguayan people: Christmas has the purest meaning for the spirit of our race. Our faith in God has always been at the service of the fatherland. I refer to this conviction, as a Paraguayan and a governor, to stress the joy with which our people commemorate the birth of Jesus, a glorious event that opened new horizons for all humanity. The Paraguayan family will sit near the manger today as a new testament of the strength of its religious fervor. Mothers, fathers, and children will thank God for the fertile peace under the protection of which our country progresses and is consolidated.

The national government is happy to offer our people the best of climates for the celebration of Christmas. Nothing pleases us more than to offer our Savior the peace that He preached as a way to dignify men and peoples.

Paraguayan homes feel the calmness in which we live. Cities, towns, and the countryside live in calm. Factories and shops work with total normalcy and security. The streets are secure and the hours go by in complete calm for everyone in this country.

This is the unquestionable reality of Paraguay today. Children with their noisy joy, youth with their hope, and responsible people working without interruptions or fear are the best demonstration of this reality.

We will offer to his Holiness Pope John Paul II this climate of order and public tranquillity, without violence, without political prisoners, without unrest. We will offer to the pope this dignified, happy, and optimistic climate when he visits us next May. This offering gives our Christian spirit the deepest satisfaction and joy.

His holiness will feel the happiness of our land because he preaches and values peace. On 8 May 1982 he said in Rome: Peace is the other name of life. Life and peace have the same meaning. To preach peace sincerely means to recognize Christ, to relate with our environment and our fellow men. Peace is service and the promotion of life, development, and progress.

We have reached the highest positions with the support of the large majority of our people. With this support we will continue our work with all our strength and patriotism.

We are part of a government that builds and acts. We do not waste time in promises or sowing illusions. We do not lie to the public by making vain promises. We do not attract people's attention with demagoguery. We do not preach freedom with theories but with actions, because men will have more freedom if we build schools, if we open roads, or if we inaugurate new public works. Men are freer if they can implement their human right to progress and to be happy in better conditions.

Our democracy does not end with mere sterile proclamations because it is an essentially acting and building democracy. It has Paraguayan substance and it reaches Paraguayan objectives with Paraguayan decision, Paraguayan strength, and Paraguayan hope.

For us to govern is to continuously touch the national feeling.

We do not isolate ourselves inside the Government Palace because we do not believe that power should be exercised from an ivory tower; we tour all of our territory to listen to the concerns of the social sectors, thus building a government by the people—in faithful compliance with our duties—consistent with the great virtues of the Paraguayan people. [applause]

Our presence in Asuncion and in cities and towns has served to encourage progress. At the request of the enthusiastic Paraguayan youth, we have attended several graduation ceremonies in Asuncion and in rural areas. We congratulate the students for their success and we share their happiness, which is also the happiness of their teachers and parents.

We hope the youths will improve their training—in order to face their future responsibilities—and will persevere in their efforts and in the fulfillment of their duties, because that is the path of merit.

We give an example of optimism to the new generations. It is impossible to move forward with either disbelief or disappointment. Only the faith and the encouragement of a strong conviction can lead to victory. That is why I have always said that problems exists, but only to be solved. I once read a slogan of an illustrious scientist, a Nobel Prize in chemistry winner, who said: Problems are not exhausted; it is men who are exhausted by problems.

We have enthusiastically overcome the problems—and we will continue to do so—in order to strengthen the well-being enjoyed by all those who live on this generous soil. Peace, firmness, tenacity, and dynamic creativity have made it possible for us to achieve a magnificent result: an image full of hope of this Paraguay imbued

with a new mentality, an image of change, transformation, and modernization, with a spirit of renewal that has not changed the essentials of our honorable, courageous, and heroic nation. [applause]

Itaipu, with its greatness and immense significance for development, is a symbol of the positive relations between Paraguay and the sister Republic of Brazil.

Yacyreta, another significant binational undertaking executed by our country and the fraternal Argentine Republic, will be another strong factor for socioeconomic development.

Paraguayan people, we live in a state of law, because the law is respected, because our organizations follow the principles set forth by the Constitution—with executive, legislative, and judicial branches—and because all democratic institutions operate without any restrictions.

The people, through Decree No 24,747 dated 30 September 1987, have been summoned to the general elections to choose the constitutional president and congress, and to establish the electoral boards of 5 parishes in Asuncion and 223 rural localities.

In the prevailing atmosphere of freedom and democracy, the parties have held their conventions, have elected their candidates to the elective posts, and have made public their positions and platforms for the elections scheduled for 14 February 1988.

The press has reported the most diverse political opinions, reflecting—with its coverage of meetings, rallies, and assemblies—the active and enthusiastic civic mobilization for the upcoming elections. These elections will be clean, free, and honest, like all the elections held during this period in which we have defeated the dictatorship of anarchy, backwardness, and misery, strengthening democracy on the basis of the highest patriotic values and on the (?strong) moral values of the Paraguayan people. [applause]

A few unrepresentative people have created insignificant irregular groups that call themselves political parties, although they do not have the right to do so because they have not met the conditions set by the Constitution and the electoral law.

These minute antidemocratic circles preach electoral abstention, thus violating our fundamental law. These circles urge the people to cast blank ballots, which is a shameful desertion of the civic duties of a citizen.

These totalitarian campaigns, however, do not appeal to anyone and are doomed to fail entirely, because the Paraguayan people were not born to desert their duties. If a Paraguayan has democratic and patriotic duties to fulfill, he or she will fulfill them firmly.

Responsible citizens are aware that they should not tread the alleys that lead to subversion, but choose the path that respects the law.

Our government is elected by the votes of the people. Through their votes the people walk the path that leads to a democratic society.

We are certain that the people will massively comply with their duty of voting on 14 February 1988. The people will thus consolidate our institutional system that grants freedom and order, and consolidate our multiparty system and our peace, which are based on our spotless fidelity to the ideal of national growth.

Nothing and no one will stain our democracy, whose inextinguishable brightness is based on the thoroughly free spirit of the Paraguayan race.

The honest citizens know that the country is living in normality. They know that the social, economic, and cultural development being experienced in the country cannot be denied. They know that we are governing in accordance with the Constitution and respect for the civic freedoms of the people.

It is known abroad that the Paraguayan Republic is treading the right path, that we are not experiencing the problems that affect other countries. Through peace and the growth being experienced in Paraguay we have gained a legitimate and thorough international prestige. This year our country was elected vice president of the UN General Assembly, which is a high honor and represents a great stimulus for Paraguay. [applause]

We are also very pleased to know that in the World Bank report Paraguayan growth per capita from 1976 to 1985 occupied the eighth position among all the countries of the world. [applause]

The Paraguayan delegations at the United Nations, at the OAS, as well as the Paraguayan congressional delegations attending Latin American and European forums, are witnesses of the high respect paid to our country abroad in view of its healthy, patriotic, transparent, and coherent political system, whose main concern is everyone's welfare and better life for all the Paraguayan people.

Dr Juan Vicente Ugarte del Pino, president of the Peruvian Supreme Court, has recently visited our country. At that time he said that Paraguay enjoys a peaceful and orderly democracy which is the envy of all countries in the world. He added that in Paraguay one can learn how to govern a country in peace and order, despite the agitation prevalent in the rest of the world.

This is how the unbribable Latin American conscience refers to our country's current reality. Only those who are committed to international subversion make distorted analyses of our reality and uselessly malign our

country. The free and profound opinion of all other countries of our continent express their solidarity and praise our great contribution toward Latin American integration.

Paraguayans, on Christmas Eve day I want to cordially greet all of you, and all the foreigners who live in the country, contributing to promoting the development that constantly concerns our administration.

I express sympathy and offer support to the good priests who carry out their duties with dignity; to the devoted nuns who work at schools and centers of assistance; to rural workers and to workers in general; to the teachers and to the reporters who carry out their tasks with responsible criteria and equanimity; to the businessmen who seek not only personal wealth, but also to create companies and ventures that improve the standard of our dignified, hard working, and patriotic people.

I want to convey my affectionate greetings to the children and to the Paraguayan youth, who represent a great moral force. They are enjoying, and will continue to enjoy, the stimulating experience of living in a peaceful reality. We assure you that we will not allow harmful subversion of the order and harmony that are characteristic of present-day Paraguay.

I embrace all mothers and assure them that we will continue to relentlessly guard and protect the lives of their children. There will be no more anarchy or bloody fights among brothers, because they were the cause of anguish, pain, tears, and struggle to thousands of Paraguayan homes. [applause]

My best wishes to the senators and deputies, judges, state employees, and policemen of the capital and of the interior of the country. My words of solidarity to the ill, and my wishes that the Lord help them recover.

With emotion, I embrace the honorable and glorious soldiers who fought the Chaco War with me. They participated in an immortal epic which, thanks to the legendary bravery of the Paraguayans, saved national dignity and preserved our territory. [applause]

The progress being experienced in the Chaco gives special importance to the blood and the sacrifice of those who fought and died there.

Dear Chaco War veterans, we will employ the same interest and the same will that we displayed in the war in our struggle for development, which will also bring honor to our country.

My warmest embrace to the president and members of the Colorado Party Executive Board, which was democratically elected last August, and to all other party members. I am convinced that this powerful political association of free men, which celebrated its foundation centennial this year, will continue to project you as the great spiritual and human force that gives special value to civic liberty and to the Paraguayan symbols that are deeply faithful to its founder, General Bernardino Caballero. [applause]

In the name of the highest and purest glories of our fatherland I greet officers; generals, admirals, high-ranking officers, subordinated officers, and non-commissioned officers; sergeants; and conscripts of the incorruptible Paraguayan Armed Forces. [applause] Proudly, I must say that it is an honor for me to be the commander in chief of the Paraguayan Armed Forces, which deserve our greatest respect for their relentless patriotism and devotion to the task of holding high and proud the Paraguayan tricolor flag.

Each soldier has an unyielding nationalist will and the strong desire to improve, as is shown by the high professional skills of the military cadres and the noble spirit of service reflected by the exemplary civic action of the Armed Forces.

The soldiers of the fatherland are firmly preserving our sovereignty. They are part of the people, to whom they serve with zeal and with strict observance of the law, working for peace, democracy, and progress in Paraguay. [applause]

I convey my friendly greetings to the members of the diplomatic corps and to their peoples and governments, with faith in the loyal cooperation between nations that have united behind the ideals of the free world. [applause]

Paraguayan people, the eternal star of Bethlehem, which symbolizes our faith and our hope, strengthens our religious faith and our tireless efforts to build the future of our nation.

Let us be better and more humble, and let us work harder, inspired by the noble lessons of the Redeemer. Let us preserve our peace as the most valuable offering to God and to the fatherland and as the best spiritual tribute that we can pay to His Holiness Pope Paul II, who will not find a nation divided by hatred, violence, and terrorism, but a nation whose greatness is reflected by the accord among its people and by its peace, democracy, and freedom. [applause]

Before the spirit of Christmas, I declare that I have not, and will not, use power for evil purposes, but for the sake of solidarity and consensus among all Paraguayans. [applause]

May the Almighty continue to bless the Paraguayan family and may He continue to protect me and my efforts to give more happiness and progress to the Paraguayan Republic. [applause]

Saldivar, Iglesias Sign Joint Communique

PY232226 Asuncion ULTIMA HORA in Spanish
23 Dec 87 pp 12, 13

[Text] The foreign ministers of Paraguay and Uruguay, Carlos Augusto Saldivar and Enrique Iglesias, respectively, this morning signed a joint communique at the Paraguayan Foreign Ministry. They emphasized the "good prospects for reaching an agreement for a Paraguayan free zone in Uruguay. The two countries will hold negotiations on this issue."

During the signing ceremony Foreign Minister Iglesias was decorated with the Order of National Merit. Saldivar and Iglesias expressed in the joint communique their concern over the military confrontations throughout the world, especially the Central American conflict, and stated their satisfaction with the efforts to bring peace to that region.

They also condemned terrorism and expressed support for efforts to find a solution to the foreign debt problem. They reiterated their governments' desire for integration, expressing support for ALADI, the River Plate Basin organization, and SELA.

Regarding Paraguayan-Uruguayan relations, the foreign ministers pointed out "the high level of relations between the two countries, especially in the economic field, and the importance of continuing direct contacts on issues of mutual interest."

The joint comunique also expressed satisfaction "at achievements within the framework of the Paraguayan-Uruguayan Mixed Commission of Coordination and Cooperation during the third meeting held in Montevideo. That meeting updated issues of mutual interest, especially trade; industry; the use of silos and port facilities; railroad, maritime, and highway transportation; and tourism."

Saldivar and Iglesias emphasized the agreement on facilities for the movement and storage of grains at the Uruguayan ports of Nueva Palmira and Fray Bentos. They also expressed their satisfaction with the signing within ALADI of the extension of the regional agreement for the opening of markets in favor of Paraguay (Agreement 3) and the efforts to improve and strengthen the partial agreement currently in force between the two countries.

Regarding his meeting with Paraguayan President Alfredo Stroessner at the Lopez Palace, Iglesias said: "We talked about many issues. I had an opportunity to tell him about the Uruguayan political and economic situation. We talked about the general economic problems of our two countries and of Latin America. We also discussed the foreign debt issue and cooperation between Uruguay and Paraguay. I felt it was a very cordial visit."

Peru

Garcia Views Economic Measures, Future Course

PA222337 Lima Television Peruana in Spanish
0209 GMT 22 Dec 87

[Message by President Alan Garcia to cabinet ministers and officials at Central Reserve Bank headquarters in Lima—live]

[Excerpts] The increase in the price of the U.S. dollar a few days ago has given rise to a variety of opinions and even confusion among our citizens. I have come to the Central Reserve Bank to present an outline and to restate and reassert the basic concepts that have allowed us to grow for 2 years and will permit us to grow next year after making the necessary corrections but without touching the people's purchasing power.

Many have seen the increase in the price of the dollar for goods, equipment, and machinery but not for foodstuffs and medicine as a step backward in the economic model that allowed us to increase the people's purchasing power. Others have said that this is a compromise with the IMF, whose theories we will be accepting in the future. Some have taken advantage of this situation to unduly increase their profits or to try sell their products at much higher prices.

I have come here to say that, on the contrary, the increase in the price of the dollar for imported machinery and nonessential products will be a tool that will allow Peru to grow in 1988, to increase its exports, to earn more dollars, and to provide more jobs for its inhabitants. I have come here to say there is no reason why this increase in the price of the dollar—which does not affect the purchase price of foodstuffs and medicine—should generate an inflationary process; there is no reason why it should trigger an excessive increase in prices. I have also come here to say this increase in the price of the dollar allows us to better redistribute national wealth, preventing it from becoming concentrated in a few hands. This is so because using a very low-priced dollar, some people who earn large profits through the purchase and sale of products in soles can purchase machinery abroad with a very cheap dollar; wealth thus gradually concentrates in a few hands.

In conclusion, we do not have and will not have any agreement or letter of intent with the IMF, whose theories we have rejected since 1985, because these theories gave rise to Peru's economic destruction and the decrease in the people's purchasing power.

Peru must not forget that it was because of these theories that the people's relative purchasing power dropped from 100 to 55 [not further explained] between 1980 and 1985.

The price of bread increased some 80 times—it went from 3 soles to 250 soles. All this occurred because of the IMF policies. We reject that theory and doctrine. Under no circumstances should anyone view this increase in the price of the dollar—to bring machinery into Peru—as the first step toward an agreement with the IMF, because this would completely betray all our economic plans that have allowed us to achieve more growth during this short period than in the past years. This has also allowed us to increase the people's purchasing power.

The government's first duty is to grow and to increase production. Why? Because by increasing production, the number and volume of goods and food that can be distributed among people would increase. This is the government's first duty. By adopting certain foreign policies and by letting the IMF manage our economy for years, the country went backward. Instead of growing, the country's economy went backward. [passage omitted]

Peru has achieved some growth. The most important point, however, is that Peru's economy has grown. This not only means that Peru can sell more abroad, but that the people can consume more. The government's first obligation is to make the economy grow; this we have accomplished. In 1986, the economy grew by 8 percent. In 1987, when everyone was saying that there would be no investments or growth because of the problem with the banks, the economy grew by 7 percent, which is more than in any other Latin American country. We are not mentioning this because we are vain; this is a fact. I have said to the Peruvian people that this is a fact. The 7-percent increase in growth is already in the pockets of the Peruvian people; it is represented in the higher food consumption of each family.

For those of you who do not believe this, for those of you who say that the president is making false statements, I want to ask each one of you to examine our accomplishments over the past 2 years to see if you have a right to have any doubts about our plans for 1988.

All I am asking for is justice. I do not want any flattery; I do not want to be vain; I do not seek gratitude. All I want is justice, because if you have confidence in Peru, you will also have confidence in your own development. I am not talking about my own personal development.

In 1985, the minimum wage was 360,000 soles. Today, it is 2.27 million soles. In other words, it has increased 531 percent. However, prices have gone up these past years by 304 percent. This means that there has been a more than 200-percent increase in the purchasing power of those earning the minimum wage, which is what the poorest people—1.2 million families—earn. [passage omitted]

Forgive me for repeating myself, but I have to point out to people that in the past 2 years, the Peruvian economy has grown more than that of any other Latin American country. This is an increase that exceeds Peruvian levels over the past 25 years. During the past 2 years, people's purchasing power increased significantly. Those who deny this are being unjust. [passage omitted] All I want is a just analysis so Peruvians will become aware of what Peru can accomplish once it decides to walk on its own two feet—without asking for loans abroad and then turning around and squandering such funds, without having to pay an unjust debt—when it implements its own knowledge and when it makes its purchasing power work. I want to end this first point by saying: Growth is possible only when you consume more. This government's objective is to make the economy grow, to improve the quantity of goods and services so people can have better food and clothing.

We have been able to increase our production in all sectors of the economy. Recently, I was recalling at the parliament how we in Peru produced 40,000 blenders in 1985. We produced 106,000 blenders in 1985, and 130,000 blenders in 1987. These are facts. Obviously, a blender is not as important as bread, noodles, or basic medicine. The latter are what we are concerned with. However, all this is of consequence.

Two years ago, 101 out of every 1,000 children under 5 years of age died. The statistics are there, at statistics institutes or at municipal offices. This year, 88 out of every 1,000 children have died. We are reducing the infant mortality rate. This is an accomplishment the media has not mentioned. This is something the newspapers do not publish; there are no front-page items or headlines saying: Listen, in the past 5 years, during the previous government's administration, the price of bread increased eightyfold—from 3 to 250 soles. During the past two years, the price of bread went up from 250 to 500 soles, only twofold. This is how this government is run. During previous governments, the price of bread increased eightyfold, but during the current government, the price of bread went up only twofold.

No matter what the headlines say, our obligation is to contribute to the country's growth, and, to make this possible—which is our objective—we must make the necessary corrections and take the necessary steps so Peru will continue growing. [passage omitted]

How do we benefit from an increase in the price of the dollar? The increase benefits us by contributing to the country's growth; it guarantees several years of growth. Peru will continue growing after the present administration if we take good care of the dollars we have. We have dollars in our banks. We have hundreds of millions of dollars in gold; we have hundreds of millions in bank deposits abroad that are earning interest. We also have hundreds of millions of dollars in other Peruvian banks. However, we must protect those funds, because they represent Peru's savings. The dollar is used to import food and industrial components. The latter is not a very common term and refers to the goods necessary for

production, such as chemicals and plastics. Those are industrial components, and we need the dollar to buy those things. The dollar is also used to purchase machinery abroad.

We must zealously save the approximately $1.5 billion we have in Peru. We must use those funds in such a way that they will contribute to our growth and not let those funds be easily lost. That is why we have adopted a measure that many people do not understand. Many people say that since the price of the dollar has gone up, we must also increase the price of all products. That is not true. The price of pasta, bread, corn, cooking oil, and all the other foodstuffs and medicines should not be increased, because the value of the dollar has not been increased for those goods.

What products should be affected? What should be affected are machinery or products that are only imported by certain enterprises. I will give you an example: Since the country is growing and the enterprises are increasing their production, the industrialists make more money. However, the industrialists charge for their products in soles, and they raise their prices. For example, how much has the price of shoes gone up? How much does a shirt cost? The price for a shirt has increased by more than 100 percent, and by more than 150 percent for a pair of shoes. That is how prices are raised, and then there is no control over prices. [passage omitted]

What does this mean, and lead to? Instead of saving money in a bank, one would buy a machine and would store it without putting it to use, because in that way one would be saving for the future. In this way, one would be saving with cheap dollars that belong to all of Peru. Those dollars belong to all Peruvians, because they are obtained with our fish meal, copper, silver, and labor. If the dollar is too cheap and the industrialists can buy them very inexpensively, we are not only doing them a favor; we are also being unjust. Why? Because small groups will have a large number of machines and hence a great quantity of money acquired at very cheap prices because of the low price of the dollar. The objective of this measure is to save dollars. The country is growing and must continue to grow. However, there is no reason why we should continue buying machines and have them put away for years before they are used. All the machines purchased during the 2 years of my government must be put to work here and now. [passage omitted]

Therefore, that is the main reason why we increased the price of the dollar. However, we increased the price of the dollar for machinery and industrial goods, not for food, not for corn, wheat, milk, or medicines. We have not increased the price of the dollar for most industrial components, such as plastic and other goods that are necessary for industrial production.

Therefore, we have increased the price of the dollar for part of the population, but not for all Peruvians. In this, we differ from past devaluators, whose devaluations affected everything. The dollar used for buying corn, wheat, and medicines was immediately devalued, together with the dollar for purchasing industrial goods or machines. We have increased the price for certain products, but we have kept the price for other goods exactly the same, so our people can consume more without being distressed or alarmed as a result of the crisis.

Hence the prime objective of increasing the price of the dollar is to limit imports and to save dollars that should only be used as necessary to continue production. However, there is another objective, a fundamental objective, which is to increase and promote the growth of the Peruvian economy. How can this be? Some people say this is impossible. We not only produce for our own consumption, but to sell abroad. Many Peruvian workers produce goods that are sold abroad. Those products bring us dollars, and production means more jobs for Peruvians. What happens when the price of the dollar is too low? Exports drop. [passage omitted]

Those are the two reasons why we have increased the price of the dollar. We did not do it to increase the cost of living in Peru; that is not true. You can see that the price of dollars for food and medicine remains the same. The price of dollars to import machinery, which was concentrating wealth in a very [illegible]w hands, is changing drastically.

For these two great objectives—first, to prevent the concentration of wealth through the importing of nonessential products, and second, to increase export revenues to bring in more dollars and to create more jobs—we have increased the price of the dollar for machinery and exports but not for food, medicine, and industrial components.

This is the second topic on which I would like to comment. The first concerned how and for whom we grow. The second deals with the reason for increasing the price of the dollar: to promote growth and to save dollars. The third topic concerns dismissing press reports that there will be a significant increase in prices; this is not true. If the price of dollars for food and medicine does not go up, there is no reason for the prices of those products to go up, either, and they will not go up.

I say that we will not change the dollar value of food and medicine this year because they are products our people need. I reiterated that, for example, the consumption of noodles has increased, but that potato production has also increased in Peru. The production of rice has also increased significantly, as has the production of frozen fish, oil, and sugar. I also said that we have produced more by simply increasing consumption among the population.

I said that more can be bought with the minimum wage or with any salary today in comparison with 2 years ago. As a result of this, the country's production capacity has increased. We cannot move backward in this regard; we *cannot overlook the fact that Peru grows when the* people's consumption grows.

If we were to choose another path, we would return to the situation we had before. Peruvian families: Do not forget what your situation was like in the past. We have the habit of remembering what happens today or what happened yesterday; this is unjust sometimes. Before, by applying foreign economic theories, we reduced the consumption capacity of our people by an astounding degree. In the past 2 years, production has grown because the people consumed more; there is concrete proof of this.

Of course, the prices of some things increased too much. That is true, but the prices of the goods that a family depends on—that is, the basic goods—have kept pace with salaries; nobody can claim otherwise. The country grew, and I must repeat over and over again—to ensure that people understand what we wanted to achieve and want to achieve—that there has been justice in the past 2 years.

In 1988, we plan to maintain our guiding concepts. Two years ago, we chose a different path. Others led the country along the IMF path of liberalism, which led to hunger, paralyzed industries, and created unemployment. In 2 years, we have made the country grow. This is a fact, a fact that we must constantly keep in mind to convince ourselves that we can grow in 1988. We will not look back.

We would be betraying our ideological, nationalist spirit as APRA members if we follow the IMF path. The IMF says that we must pay the foreign debt; that comes first. To pay the debt, the people must eat less and savings must be used to pay the debt. We say no to that. We will maintain the people's level of consumption. We will attend to the debt later—some day. The IMF says we must open up the country to the import of products as was done during the previous administration. The IMF says we must buy all products from abroad because they are cheaper and better. We say that we will consume our own products; we will make foreign products more expensive; we are making those machines—purchased to concentrate wealth and economic power—more expensive. For the time being, we must work with what we have.

Our option is absolutely different from that proffered by the IMF. The IMF says that we must not grant credits in the countryside because money would be lost, that we must buy food abroad because it is cheaper. We say that we must promote more credits. Two years ago, there were only 2 billion soles in credits available for peasants; this year, we have granted 15 billion. In 1988, we will increase that amount, because only by encouraging the peasants will they produce more. [passage omitted]

Instead of an economy of contraction, retrogression, and adjustment, we want an economy that will expand and grow, because only if we grow will the people consume more and have greater well-being.

We intend to maintain Peru's growth rate in 1988. If the population grows by 2.5 percent, Peru has to grow over and above that rate. The economy has to increase at a greater rate than the rate of population growth so there will be more wealth to distribute among the population. We have to consolidate what we have already gained and maintain the growth rate in order to leave behind a country that will produce more. [passage omitted]

Since 28 July, when I proposed the bank nationalization in order to distribute this wealth that belongs to society, to the nation, and not to four small groups [not further identified], a constant barrage of insults, demands, and headlines has been unleashed. I am not worried. The television stations, the daily newspapers, and the people who consult them can say anything they wish. However, we have tangible proof. Deep inside, in their hearts, each one of them knows that we are not governing to harm the people. If we make mistakes, it is because we want to help the people. If we ever go too far, it is because we want to help the people. The people know we have never governed for the benefit of a few rich people. The people know we have wanted to govern for them; that we have succeeded in making Peru grow for their benefit; that we have increased salaries for their benefit.

The people know we have given jobs to the unemployed throughout the country to help the poor. The people know we are not being demagogic when we give an income to the poor, to whom nobody has ever given anything. If we make mistakes, it is in the people's favor. If we make amends, it is for the people's sake. Nothing manipulates us from outside. No interest group supports us. Our only commitment is to the vast majority of Peruvians, to 90 percent of our middle class, of the employees, of the poor. We are governing for them. I know how the vast power of the right wing, of reactionaries, is unbridled. I know how powerful money is. Money is a powerful commodity. I am not afraid of it. [passage omitted]

By consuming and producing, the people have made Peru take a historic leap forward, and it will continue firmly along that historic path. Doubts and slander are sown, however. I am here to explain things the way I have seen them since 1985. I have been saying since then that we want the country to grow, and for it to grow, we have to pay higher salaries; for the economy to grow, we must not pay the foreign debt; to earn more dollars, we have to export. We have now changed the price of the dollar in order to export more and to continue along that path. We will resolutely continue along that path.

I ask all of you to make an analysis from deep within yourselves and to ask yourselves why some people sow doubts and spread slander. Could it be because they are defending the major special interests we have affected? Could it be that they do not like us to govern in favor of the people and to curtail the huge power small economic groups have had in the past?

We are in the process of a transformation. Everything we have said would be absolutely meaningless if Peru had not begun its process of regionalization, whereby the governments, incomes, and wealth of regional Peruvian towns have been turned over to those towns and taken away, in a gradual process, from those in Lima who controlled huge empires and scorned the people. We have faced up to all of this. We have faced up to the international banks; we have faced up to the IMF. One has to pay for all this; we are paying for it. [passage omitted]

What did I want to say when I came to the Reserve Bank to address the entire nation? First, that this government has not signed and will not sign any agreement or letter of intent with the IMF. We do not believe in its theories. We reject them and have overcome them. Second, this situation which has aroused so much speculation and unrest, especially among those who have not understood it—I am talking about the increase in the price of the dollar—does not mean a setback to Peru's economy. On the contrary, if properly applied, it will encourage Peru's economic growth. I have come here to affirm that we must maintain our model of economic growth with greater consumption. I have come here to say there is no reason for prices to skyrocket, as many people believe will happen.

If some prices rise, the government's salary policy should be able to maintain the purchasing power of salaries so production may increase and Peru's growth may continue.

I ask all Peruvians to have faith in these goals. I am asking you for faith based on the fact that in 2 years we have been able to make the country grow and have increased the people's purchasing power. When people presently go to the markets, some people protest about how prices are rising. However, one should think about the general purchasing power one has, and the conclusion will be that Peru is slowly consuming more.

We cannot produce miracles. We cannot do certain things because production steps are slow; they may be firm and safe, but they are slow. In the years ahead, we are going to continue Peru's growth and produce more to benefit the majority, not to benefit an oligarchy composed of a few rich people, not to benefit international banks. No, sir, those days are over. These are the days of social democracy. These are the days of redistribution, and we are going to continue with redistributions to benefit the people, the majority, who are entitled to well-being, to participation in wealth, and to participation in culture.

I ask the people to have faith. I know many things happen and there is bad news every day, but I am asking the people to have faith in themselves, not in me or in this government, but faith in their ability to think. Do not let others think for the people. Do not let others make the news on behalf of the people. Let the people think about their situation, about their possibilities.

Let the people be the ones to somehow control the national economy. I am sure the people can help, that the people understand all this. I am sure the economy is not something very difficult, or magic, or incomprehensible. Economics is a matter of common sense. To be able to grow, there must be consumption. For the people to consume, we must avoid the concentration of wealth in a few hands. It must be given to the people in the form of salaries and services. While we do this, Peru is continuing on with its huge projects.

There is the huge irrigation project of (Chau Biru Mochi) and (Chicama). This will permit the irrigation or the better irrigation of the coast's agricultural area. We are only a few days away from beginning in Piura the third phase of the Chira-Piura project. With the (Carahuaquero) power plant we will be completing in a few months, we will be strengthening the country's capabilities in the area of electricity.

In 2 months, we will be inaugurating the Charcani Plant in Arequipa. We have small irrigation projects everywhere, such as the projects in Salcca and Combapata, the Santa Lucia sluice in Moche, and the prospects of obtaining new electricity plants in (Maria Jirai), Huari, and in all the provinces. This is a popular government. The funds we are not paying to the IMF and foreign banks are being used for such projects. The issue is not just one of providing more bread now. It is also necessary to build the big projects Peru needs. It is necessary to build the sluices, the irrigation facilities, and the hydroelectric plants, and we are building them. We are inaugurating new projects almost every day. No one can doubt this. This is why I take television cameramen along with me when I inaugurate new works, to show Peruvians that Peru is growing, that we are building new works and making improvements.

In the past 2 years, for example, we produced a fleet of nine fishing boats equipped with cold-storage rooms. This will allow us to exploit the vast resources we have never utilized. We have started taking advantage of these resources, and we will continue doing this, through popular markets in Lima equipped with freezers which we will deliver. We have been doing all this. Therefore, there is no reason to fear the future.

Let us ignore those people forecasting terrible things. They do it in part to justify their own futures; they want everything to fail and to go wrong so they will look good. This is not the way to help build the fatherland; this is not the way to make a better Peru. It is very sad to see how many awful things are announced, to see that as a result of the announcements and the news, prices go up and confusion increases. I want to ask you to listen to all that and to analyze it. You should remember the events of the past 2 years.

Whether they like it or not, the Peruvian economy has grown with no IMF, foreign banks or oligarchic domination over the government.

Many things are said and done to pay, as we must, the cost of starting a revolution. Our revolution, however, will not confuse people, nor will it reduce people's consumption. On the contrary, we will fulfill two goals: to give more bread to the people, and to grant more civil participation and freedom. This is the only way to have a revolution. We may have to listen to some things—perhaps with some sadness—but with understanding. We understand those people who feel somehow affected by the measures we have adopted, and those who would like to be in our places—but let them wait. They should wait for their turn. People may tell them later on with their votes whether or not their time to rule has come. But until that time comes, no one should deny reality: Peru's economy has grown and will continue to grow. This is why we have implemented realistic plans to strengthen our fatherland's economic opportunities.

I wish to greet you on this occasion with this speech from the Central Reserve Bank, and I want to tell you to fear not; fear not because Peru's economy has grown and will continue to grow, purchasing power will be maintained—it will be maintained. Politics and economic matters are better handled through regional distribution. Peru will certainly become more independent.

Peru will become more independent to the extent our agricultural production increases. We will no longer need to get down on our knees and ask for new credits. We should consume whatever we produce. All I can tell you is that I have confidence in Peru and in the events that have occurred. I have faith in our accomplishments. I have confidence that 1988 will be a good year. We may have problems, strikes here and there. There may be scandals reported in the media, but they are just that: scandals. [passage omitted]

Venezuela

Panama's Diaz Herrera Comments on Release

PA251545 Madrid EFE in Spanish 1350 GMT 25 Dec 87

[Text] Caracas, 25 Dec (EFE)—Former Panamanian Colonel Roberto Diaz Herrera, who today arrived in Venezuela after having been in prison in his country for 5 months, has stated his appreciation for several Latin American politicians who had worked for his release.

Diaz Herrera did not make any statement, but through a brief document given to EFE by relatives of the military man he thanked Venezuelan, Costa Rican, Dominican, and Peruvian politicians and congressmen who worked for his release.

Among others, Diaz Herrera thanked former Presidents Carlos Andres Perez of Venezuela and Daniel Oduber of Costa Rica. He also thanked Socialist International leaders Jose Francisco Pena Gomez of the Dominican Republic and Armando Villanueva of Peru. He also thanked Venezuelan Senator Reinaldo Leandro Mora.

Diaz Herrera was pardoned by the government 3 days after having been sentenced to 5 years in prison on charges of having acted against the security of the state with his (corruption and murder) charges against his country's military high command.

Today, Diaz Herrera, along with his wife and children, were taken to an unknown destination in Venezuela's interior. His wife and children had come to this capital 2 days after his arrest in Panama.

The former colonel arrived at an international airport near Caracas aboard a private flight. He came accompanied by Raquel Diaz, his daughter from a previous marriage. His present wife, Maigualida de Diaz, her children, and other relatives welcomed him at the airport.

Ana Teresa Wendehake, an aunt of Maigualida, told EFE that Diaz Herrera does not want to talk to the media and that the family knows nothing about his immediate plans. Other relatives said: "They have gone to the interior to rest, and we do not know when they will be returning." Wendehake said that Diaz Herrera is in "perfect health" in spite of the time he spent in jail.

According to local political sources, Diaz Herrera's release is to a great extent a result of talks that Latin American leaders of Socialist International had with the Panamanian Government. These leaders had a meeting in Caracas 2 weeks ago.

Diaz Herrera, because of his grave charges against Panamanian Defense Forces Commander General Manuel Antonio Noriega, other high-ranking officers, and Panamanian political leaders, was one of the main factors that detonated the political crisis that has shaken Panama in recent months.

Suriname

National Assembly Adopts Nominations Law

FL241739 Paramaribo International Service in English 1730 GMT 24 Dec 87

[Text] The law which regulates the nomination and election of the president and vice president of the Republic was yesterday unanimously adopted by the

National Assembly. The draft law was submitted on the initiative of assembly members since the government has not yet submitted a draft to the body on the election of president and vice president.

Assembly Chairman Jaggernath Lachmon yesterday called on the government to proclaim the law as soon as possible so that the assembly could elect the president and vice president of the Republic.

Deputy Prime Minister Harry Kensmil, who was present during the assembly meeting, promised that the law would be proclaimed in the near future.

Labor Groups Protest Conditional Admittance

FL231858 Paramaribo International Service in English 1730 GMT 23 Dec 87

[Text] The Suriname Labor Party and the labor union federations, CLO [Central Organization for Civil Service Employees] and C-47 [Centrale 47], have written a protest letter to the National Assembly Chairman Jaggernath Lachmon. The letter is against the conditional admittance of 10 representatives to the National Assembly. The organizations say that according to the Independent Elections Office, these people are not elected by law. The letter notes that the 10 persons have been admitted in the national interest but added that this criterion should not be a (?pride) to realize a solution which is favored by one or more interest groups.

The labor party and the two labor union federations say that the national interest requires a constructive position, sincerity, and loyalty, and, above all, action which is not in conflict with the law.

PALU: Violation of Rights

FL231857 Paramaribo International Service in English 1730 GMT 22 Dec 87

[Text] The Progressive Workers' and Farmers' Union, PALU, is of the opinion that the temporary admittance of the assembly members from the three areas under a state of emergency is a violation of the rights of these representatives.

The parties are of the view that all 51 assembly members should have equal status. During the National Assembly meeting yesterday, the leader of the PALU team, Mr. Milton Belgrave, wondered how these people will be expelled from the assembly later and what will be the status of the laws which will have been passed.

Assembly Chairman Jaggernath Lachmon in a reaction told our newsroom today that the 10 representatives are full members of the assembly until the people in the 3 areas decide otherwise in a referendum. Mr Lachmon also said that laws in the National Assembly are made by a majority of the votes and the Front for Democracy and Development holds 40 seats. This means that the front has more than two thirds of the seats in the 51-member assembly, said Lachmon.

The National Assembly has admitted the 10 representatives of Brokopondo, Marowijne, and Sipaliwini under the condition that the referendum be held in these areas as soon as possible to determine whether the people in these areas want them to be their representatives.